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A

HISTORY

OF

PRICES,

AND OF

THE STATE OF THE CIRCULATION,

FROM 1793 TO 1837;

PRECEDED BY

A BRIEF SKETCH OF THE STATE OF THE CORN TRADE
IN THE LAST TWO CENTURIES.

27862

BY

THOMAS TOOKE, ESQ. F.R.S.

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CHAPTER VI.

STATE OF PRICES AND OF THE CIRCULATION, FROM 1814 TO 1818.

THE epoch which is now to come under consideration, embraces nearly the whole interval between the close of the war and the termination of the Bank restriction. And this interval, with that which has just passed under review, comprises nearly all the debateable ground of the *imputed effects* of the suspension of cash payments in raising prices beyond the difference between paper and gold.

As in the instance of the epoch which has just passed, it will be found convenient in the present to make a subdivision of the interval about to be examined into two periods; namely, the one embracing the fall of prices from 1813 and 1814, to 1816 and 1817; and the other, the rise of prices from 1816 and 1817 to 1818.

SECTION 1.—*Fall of the Prices of Corn from the Close of* 1813 *to the Commencement of* 1816.

The prices of corn, which had fallen rapidly, while transatlantic produce had been as rapidly rising in the last six months of 1813, continued, but more slowly, to fall in the early part of 1814, the average having declined by the end of July, for

	s.	*d.*
Wheat to - -	66	5
Barley — - -	33	0
Oats — - -	23	3

The fall would probably have been more rapid, in consequence of the great stock on hand, had it not been for the character of the season, which was remarkably backward and unpromising. The winter of 1813–14 is still known as the severest and the longest of any in the present century; and the spring, as in all cases, when following a winter of unusual severity, was cold and ungenial. The wheat in consequence bore an unpromising appearance; and the harvest being very late, and attended in its progress by variable, and, upon the whole, inclement weather, some speculation arose, and the prices experienced a momentary advance before the completion of the harvest, of nearly 10*s.* the quarter. The apprehensions that had been entertained of injury to the crops were, to a considerable extent, confirmed; for it turned out that the wheat generally had been much affected with blight and mildew, and was considered, upon the whole, inferior in quality, and much below the former year in quantity. But the increased breadth of cultivation, the large surplus from the superabundance of the produce of 1813, and an unexpectedly large importation of foreign corn (about 800,000 quarters of wheat, and a like quantity of

oats), overpowered the markets, and the prices thenceforward declined again to the close of the year, when the average for wheat was 65*s*. 8*d*.

The following winter was a very open one, and the spring of 1815 rather wet, but forward *, and the appearances of the crops promising. These were depressing causes, but prices were prevented from falling so much as they would have done in the first six months of 1815, by two causes,

1. The renewal of the war on the return of Napoleon from Elba, there being then a prevailing opinion connecting war with high prices.

2. The discussion upon, and the eventual passing of the Corn Bill, which prohibited the admission of foreign grain for consumption, till the price of wheat should reach 80*s*., and other grain in that proportion, giving an impression that the price would not for any length of time fall below that rate, and probably imparted a temporary confidence in the recovery of the markets.

But these causes of a slight rally gave way to the continued abundance of the supplies, of which a part still consisted of the crop of 1813.† And as the harvest was forward, the crops abundant, and the weather for the securing of them (subject to

* In a meteorological report for the month, from the 24th of May to the 24th of June, 1815, is the following remark:—"The spring itself is, in almost all respects, much forwarder than any one since the year 1794. The best guide to this is the price of vegetables. In 1794, peas were, on the 19th of May, 1*s*. 6*d*. the peck; a price for which they were sold about the 31st of the same month this year: whereas we have known them in the intervening twenty years, frequently from three or four to eight or ten times that price, in the early days of June."

† Mr. David Hodgson, on being asked by the Agricultural Committee, in 1821, "When you say you have every reason to believe that 1813 was the greatest crop you have ever known, you have other reasons for that opinion?" answered, "We have other reasons, and general observation from the time that the grain of that season remained in considerable quantity, I think two or three years afterwards."—*Page* 264.

some few casualties), on the whole propitious, the markets resumed their tendency downwards, and the averages at the end of the year 1815 were for

	s.	d.
Wheat - -	53	7
Barley - -	25	11
Oats - -	19	9

In the few weeks following there was a further trifling decline, the average in January 1816 having been for

	s.	d.
Wheat - -	52	6
Barley - -	24	8
Oats - -	18	7

This was a lower point of depression than had occurred in the prices of corn since 1804.

The prices of cattle and sheep had risen considerably in 1813 and 1814, and were higher in 1814 * than they had been during any previous period, with the exception of a few months after the great scarcity of 1800; but in the course of 1815, a considerable fall took place, and the speculations of cattle dealers turned out very ruinously at the close of that year and in 1816. †

* The quotations of Smithfield market were, in March 1814,

Beef -	6*s.* to 7*s.* per stone.
Mutton -	7*s.* to 8*s.* 6*d.*
Veal -	6*s.* to 8*s.*
Pork -	7*s.* to 10*s.*

This was partly owing to the high prices of provender in 1811 and 1812, while meat had been comparatively low; and partly to the extreme severity of the winter of 1813 and 1814, which had caused considerable mortality among the sheep, and generally reduced the quality of the cattle.

† On this occasion of the great fall in prices, Mr. (now Lord) Western called upon the legislature, as he had before done upon a similar great fall of prices, and consequent agricultural distress in 1804, for a remedy; and as on that occasion, he, on this, gave a very rational account of the fall of prices, and the consequent distress of farmers and landlords. "The full effect (he said, on moving in the House of Commons

Section 2. — *High Prices of exportable Commodities in the Spring of* 1814.

While the events were in progress which led to the restoration of the Bourbons and the peace of Europe, in the spring of 1814, the speculation in exportable commodities which had its first rise in the dawning prospects of the emancipation of the Continent, at the close of 1812 and the beginning of 1813, reached its height. The prices of all colonial produce, and of other articles of export, including native productions, such as alum, lead, and tin, and many descriptions of manufactures, which had long been waiting a market, advanced very considerably, some beyond all precedent, as has been seen by the table inserted in the last Chapter. The extraordinary demand arising out of that speculation for the manufactures of this country, occasioned such an extra employment of workmen in the manufacturing districts, as entitled and

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for a committee on agricultural distress, in March 1816,) of all our improvements has just been completely realised, and two or three good harvests, from this extended and improved agriculture, together with continued import, and demand reduced, has occasioned such a surplus in the market as very obviously accounts for the first depression of price." But singularly enough, Mr. Western, ten years afterwards, discovered that the fall of prices was owing to the currency. In a letter addressed by him in 1826, to Lord Liverpool, there is, among others to the same effect, the following passage:—" Can there be a doubt, I repeat, now, that the very first commencement of our difficulties, the first depression of agriculture and commerce in 1815 and 1816, were caused altogether by the contraction of the currency ? "

In this, as in similar instances, the landed interests having had the full benefit of a rise of prices beyond the ratio of deficiency, have sought, at the expense of the rest of the community, to be exempted by legislative interference from the consequences of restored abundance.

enabled them to command a considerable advance of wages.* And as while wages were thus advanced, there had been a considerable fall in the prices of provisions, the manufacturing population were in a more satisfactory state than they had been in during any part of the twenty years preceding.

But that rise of the prices of exportable produce and manufactures which proved to be so ephemeral, as being founded upon the most unwarranted expectations of demand *in consequence of the peace*, and of the renewal of commercial intercourse with the Continent, has been the occasion of the most absurd conclusions conceivable.

Tables of those extravagant prices, constituting the declared value, as contradistinguished from the official value of the Custom-house returns of exports, have been referred to as proofs of the depreciation of the currency up to that time; and the subsequent fall of prices of those same articles, as compared with the prices of the spring of 1814, has been considered as affording undeniable grounds for the inference of an increased value of money. The late Alderman Waithman, and Mr. (now Lord) Western, brought forward statements to that effect in the House of Commons, upon occasion of discussions on the currency, as being illustrative of their views of the effect of the Bank restriction in depreciating, and of the resumption of cash payments in restoring, the value of money; assuming,

* In the evidence of Richard Needham, an operative hand-loom weaver, examined by a Select Committee of the House of Commons, on Manufactures, Commerce, and Shipping, in 1833, he is asked (11,889), "Can you remember what the reason was that the price of weaving sixty-reed cambrics was so high in 1814?" Answered, "It was in consequence of the battles of Leipsic and Dresden. A general opinion prevailed that if we could succeed in destroying the power of Bonaparte, wages would get up, and prices would be confirmed to this country for ever; and prices got up to an enormous height, and they came down as fast."

as they seem to have done, that the Bank began to prepare by a contraction of its issues in 1814, for a resumption of cash payments. The late Mr. Mundell brought forward similar tables in support equally of the doctrine of depreciation and appreciation, but as arising from a cause distinct from the alterations in the system of our currency. He, and some other writers with him, have ascribed the high range of prices of that period to the progressive increase of the produce of the American mines up to a certain time *, and the subsequent decline of prices to the falling off of the supply since that time.

But the facts of the case will not accommodate themselves to either theory. If the Bank restriction, or the increasing produce of the mines, is to account for the high prices of exportable produce and manufactures in 1814, how happened it that the prices should have been so low in 1810 and 1811, when both these causes of depreciation were at their height? and how happened it that while exportable productions were rising, corn and other European produce were falling? The causes of the rise of articles of export have been sufficiently shown in the extravagance of the spirit of speculation, which prevailed on the opening of the markets of the Continent of Europe by the peace. And we have now to see what were the causes of the great fall, between 1814 and 1817, of all the articles that had so risen.

* The rate of increase terminates in 1810, but the theory supposes that the full effect of the increase had not been felt till 1814, and that we have since felt the effects of the falling off of the supply. At the same time the remark that has before been made may here be repeated, namely, that whatever may be the influence ascribed to variations in the produce of the mines, they have not necessarily a bearing on the question of the effects of the Bank restriction.

SECTION 3.—*Fall of Prices between* 1814 *and* 1817 *of Productions other than those of Corn.*

A slight consideration will serve to show, that a reverse, from speculations so entered into and conducted as those which have been described; was inevitable.

The shippers found to their cost, when it was too late, that the effective demand on the Continent for colonial produce and British manufactures had been greatly over-rated; for whatever might be the desire of the foreign consumers to possess articles so long out of their reach, they were limited in their means of purchase; and accordingly the bulk of the commodities exported brought very inadequate returns. The low prices, which alone the consumers abroad were able to pay, were still further reduced in value by the advance in our exchanges, which was accelerated by the very extent of those shipments. And it is a well known fact, that the losses upon a large proportion of the goods shipped to the Continent, in the spring and summer of 1814, were very great; not less, I have reason to believe, from what I heard at that time of the result of many of them, than 50 per cent. In some few instances, by rare good fortune, there might be a gain, but in as many there was a total loss. Cases of more aggravated loss occurred where the shippers, unwilling to incur so heavy a sacrifice as would be entailed by remittances at an exchange becoming daily more unfavourable for them, were induced to receive returns in goods which, from this and other causes, coming in excessive quantities, could not be sold here within 30, 40, and sometimes 50 per cent. of the cost; a process by which, including loss of interest, it may easily be conceived that the whole value of the original investment might be nearly absorbed. The disastrous effects of these ill-judged and extravagantly extensive speculations

began to manifest themselves in the numerous failures which took place towards the close of 1814; these continued increasing in number, as the several losses were ascertained, through 1815 and the early part of 1816.

Among the articles that figured most in point of importance and value, in the tables which have been referred to, as exhibiting the prices of 1814 in contrast with the reduced rates which have since prevailed, were cotton goods. Now, as the price of raw cotton had risen between 1812 and 1814, on a twofold ground, namely, the war in which we had become involved with the United States of America, and the speculations on the opening of the Continental markets; so the return of peace with America, and the recoil of the speculations in exports, account for a great part of the subsequent fall. And a further fall is accounted for by the diminution, which was progressive for some time after, in the cost of production in the United States; the indisputable proof of which is in the great extension of the growth at the reduced prices. But the manufactured article has fallen, not only in its former ordinary proportion of value to the raw material, but in a much greater ratio in consequence of the wonderful progressive improvement of the machinery applicable to cotton goods.* Indeed, the progressive improvement of machinery applicable to every description of manufactures, accounts for all the reduction of the declared value in those tables, beyond that which is attributable to the difference in the cost of production of the raw material.†

* See Mr. Baines's History of the Cotton Trade; Mr. M'Culloch's Commercial Dictionary; also his Statistics of the British Empire; Dr. Ure's Philosophy of Manufactures; and Mr. G. R. Porter's Progress of the Nation.

† Mr. Babbage, in his extensively useful, and deservedly popular work on "The Economy of Manufactures," gives a variety of examples of the extraordinary reduction of cost in

It was not of cotton only, that there had been an increased supply. In the greater part of other raw materials, there was in 1814 and 1815, a transition from comparative scarcity to abundance.

The excess of the importations in those two years, as compared with 1811 and 1812 (the Custom-house returns of 1813 were destroyed by fire), will appear from the following statement of the official values which represent quantities: —

	£		£
1811	28,626,580	1814	36,559,788
1812	28,595,426	1815	35,989,650
	£ 57,222,006		£ 72,549,438

being an increase of supply much beyond the utmost probable increase of the rate of consumption within so short a period.

This excess of importation, accompanied as it was by a general impression, that in consequence of the peace, not only was the cost of production by the lowered freights and insurance greatly diminished, but that fresh sources of supply, at a further reduction of cost, would be opened, rendered a fall of prices inevitable. There was not only an actual temporary excess at a reduced cost, but an anticipation of contingent supplies from extended sources, at a probably further reduction of cost.

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the production of several articles, and more especially of some descriptions of hardware.

After enumerating several causes to account for the general fall of prices, he remarks: "The result of my own observation leads me to believe, that by far the most influential of the causes has been the invention of cheaper modes of manufacturing. The extent to which this can be carried, while a profit can yet be realised at the reduced price, is truly astonishing, as the following fact, which rests on good authority, will prove. Twenty years since, a brass knob for the locks of doors was made at Birmingham; the price at that time being 13*s.* 4*d.* per dozen. The same article is now manufactured, having the same weight of metal, and an equal, or in fact a slightly superior finish, at 1*s.* 9¼*d.* per dozen."—3d Edition, 1832, p. 158.

The following are specimens of the fall experienced in the markets for transatlantic produce:—

	Highest prices in 1813-14.	Lowest prices in 1815-16.
Coffee, Jamaica, per cwt.	118*s.* 142*s.*	77*s.* 104*s.*
—— St. Domingo	116*s.* 126*s.*	62*s.* 66*s.*
Sugar, Gazette account	97*s.* 2*d.*	45*s.*
—— Havannah, white	110*s.* 134*s.*	44*s.* 50*s.*
Cotton, bowed Georgia, per lb.	2*s.* 4*d.* 2*s.* 6*d.*	1*s.* 2*d.* 1*s.* 4*d.*
Cochineal	47*s.* 52*s.*	23*s.* 28*s.*
Indigo, East India, superior	12*s.* 16*s.*	8*s.* 9*d.* 10*s.*
Pepper, black	20*d.* 21*d.*	7*d.* 7⅛*d.*
Tobacco, Virginia	1*s.* 10*d.* 5*s.* 6*d.*	5½*d.* 10*d.*
Logwood, per ton	22*l.* 23*l.*	6*l.* 6*l.* 10*s.*

In the recoil from the speculations of 1813 and 1814, in articles of export, copper, lead, and tin, which had then risen considerably, experienced a great decline in 1816, thus: —

	1813-14.	1816.
Copper, per ton	140*l.*	85*l.*
Lead —	33*l.* 34*l.*	18*l.*
Tin —	174*l.*	102*l.*

Of Baltic produce the fall had commenced when exportable productions were rising; the decline continued through 1815 and 1816.

The fall of prices of the different descriptions of produce here referred to was irregular; but in the greater number of instances the lowest point of depression in the interval between 1814 and 1817 was in 1816 and the early part of 1817 (when, as will be seen, the prices of corn had already experienced their greatest advance).

The shipping interest, too, was, in this interval between 1814 and 1817, undergoing a very considerable depression. There was, indeed, in consequence of the peace, a more extended sphere of employment of tonnage, inasmuch as the intercourse with the whole of the north of Europe, which had been carried on between 1807 and 1814 exclusively by foreign vessels, was now thrown open to British shipping. But this additional employment was more than compensated by—

1. The quicker voyages in consequence of the discontinuance of the detention of convoys and other impediments arising out of the war, thus rendering the same amount of tonnage equal to extended functions.

2. The large amount of tonnage discharged from the transport service.

3. The reduced cost of shipbuilding materials, which naturally reduced the value of all the existing shipping.

In the value of house property there was also a great decline, in consequence of the reduction of the cost of building materials.

Thus there was, from 1814 to 1816, a very general depression in the prices of nearly all productions, and in the value of all fixed property, entailing a convergence of losses and failures among the agricultural, and commercial, and manufacturing, and mining, and shipping, and building interests, which marked that period as one of most extensive suffering and distress. Of that great and memorable fall of prices, the principal part beyond that which was the effect of the seasons, and a recoil from the extravagant speculations in exportable commodities, is clearly attributable to the transition from war to peace; not from war, as having caused extra demand, but as having obstructed supply and increased the cost of production; nor to peace, as having been attended with diminished consumption, but as having extended the sources of supply, and reduced the cost of production.

In what sense, if in any sense, or in what degree, if in any degree, this fall of prices, as well as the subsequent rise can be connected with the state of the currency, will be the subject of a separate examination. In the mean time, it remains to examine the phenomena of the great rise of prices, which occurred from 1816 to the

close of 1818. Of this rise it is to be observed, as of the preceding fall, that it began variously, as applied to distinct articles at different times in 1817 and 1818. Indeed, several of the articles which are about to be alluded to, did not begin to rise till late in 1817, when corn had already fallen considerably, and nearly all of them continued in a very depressed state throughout 1816, while, as we are about to see, the prices of provisions were experiencing a very great rise.

Before however quitting the consideration of the circumstances which attended the fall of prices, and the state of agricultural and commercial distress which prevailed as the consequence of that fall, it is to be observed, that the labouring classes were in 1814 and 1815, and until the renewed rise in the price of provisions, in a comparatively satisfactory state; as the price of labour had not fallen in any thing like the proportion of the fall of the prices of necessaries. There were indeed complaints of workmen thrown out of employ, in consequence of the depressed state of so many branches of industry; and the reduction of the numbers of men in the army and navy created further a temporary surplus; but, notwithstanding these drawbacks, there is every reason to believe—indeed all the evidence of which the subject is susceptible, proves—that the great bulk of the working population were in an improved state, compared with that which they experienced in 1811 and 1812.

SECTION 5.—*Rise of the Prices of Corn in this Country and on the Continent, from* 1815 *to the Summer of* 1817.

The first observable tendency to an advance in the prices of corn, after their great depression at the close of 1815, was in the early part of 1816, when there arose a partial demand for *export of*

British wheat, there being no foreign then in bond, to the Continent of Europe, chiefly for the Mediterranean. But soon after this manifestation of *foreign demand*, which occurred in January and February 1816, there was a fresh cause of advance in the extraordinary severity of the spring. The winter generally had not been remarkably severe; but in February there was a frost of uncommon degree and duration, accompanied on the 6th and 7th of that month by a very heavy fall of snow, and thenceforward the weather was cold, and in every respect throughout the spring inclement. This circumstance producing apprehensions for the coming crops in this country, being combined moreover with accounts of scarcity *and rising prices in France and Germany*, occasioned a progressive rise of prices here, insomuch that in May the average of wheat had reached 74*s*., being a rise of upwards of 20*s*. from the average price of January preceding. At about which rate it continued for a few weeks in the uncertainty of prospects, the weather occasionally relaxing of its inclemency, although constantly of a low temperature for the season, and chiefly dry, till the beginning of July, when heavy rains set in, accompanied by cold stormy winds. The wet, boisterous, and cold weather continued almost incessantly thenceforward during the entire progress of the harvest throughout the United Kingdom; and thus completed the character of the season as the most inclement of any that had occurred since 1799.

The result of the corn harvest was, as might from such a season be expected, a lamentable deficiency in quantity, and a miserable inferiority of quality. Indeed, nearly all that had been saved of the crops was in so damp a condition, as to be unfit for immediate use; and if it had not been for a large surplus from former seasons, the rise of prices, great and rapid as it was, viz. to 103*s*. per

quarter before the close of the year, would have been much greater: for, high as the prices were, and certain as was the prospect early in the autumn, that the average price of wheat would soon exceed 80*s*., and thus open the ports, the balance of our imports for the whole year did not exceed about 100,000 quarters.

If there were not direct evidence that the same inclemency of the season as was experienced in this country, prevailed over the greater part of the Continent of Europe, the strongest presumption to that effect would be afforded by the circumstance of only so insignificant a supply having been obtained from abroad. But further and decisive proof exists, that great as was the deficiency of the harvest of 1816 in this country, a still greater scarcity existed in Germany and France, and in the South of Europe. The prices in those densely peopled portions of the Continent rose, in the spring of 1817, as a consequence of the deficiency of the preceding harvest, above the level of the prices in this country, and *it was a foreign demand alone* which caused the only advance that occurred in our markets after the close of 1816.

This fact is so important in its bearings on the question, how far the great rise in the price of corn between the commencement of 1816 and the summer of 1817 was caused by the state of our currency, as resulting from the Bank restriction, and so inconsistent with the supposition of any increase of local circulation, as having been the principal if not the only cause of the advance of prices, that all reference to it has been studiously, if not in ignorance, avoided by the partisans of the doctrine of depreciation. And for that reason it becomes essential to dwell upon it somewhat fully. The harvest of 1815 had not been generally on the Continent so productive as it was in this country, and prices had begun to rise there in the autumn of

that year. In Germany, and more especially in the south of it, and in France, the rise in the course of that year and in 1816 was very great.*

In August, 1816, the ports of France were declared to be open to importation free of duty. In November following, the French government, by an ordonnance, announced a bounty to be given on importation. And although by these measures considerable supplies were attracted from abroad, they proved to be insufficient to allay the alarm which seems to have been felt throughout France, but more especially in Paris †, at the prospect of famine, or rather at the existence of it; for the year 1816–17 is characterised by the French writers as a period of actual famine. The government, therefore, sent direct orders for purchases abroad,

* Of the great rise of prices in Germany the subjoined quotations furnish striking specimens:—

		per Winch. qr. s.	d.
At Vienna,	3d March, 1815,	43	10
	23d Sept. 1815,	73	9
	12th March, 1816,	75	2
	and 14th Sept. 1816,	116	10
At Munich,	March, 1816,	57	2
	Sept. —	127	2
	Sept. 1817,	141	2
At Stuttgard,	June, 1816,	82	9
	Sept. —	127	1
	March, 1817,	138	7

(*From Mr. Jacob's Report*, 1826.)

Mr. J. B. Say gives the following as the average prices of wheat in the market of Roye, in Picardy:—

	liv.	so.	dens.	
1814 -	7	8	0	for the measure equal to 52 litres 2 centimes.
1815 -	11	12	7	
1816 -	20	5	3	

† The following statement, which I received from a channel that I can rely upon, of the weekly prices of wheat in the Paris market, shows how great and rapid was the advance in May, and in the early part of June, 1817, and how great consequently must have been the alarm of the French government at the prospect of increased scarcity:—

through agents, for its account.* And as, in the spring of 1817, the growing crops in that country presented an unfavourable appearance, those orders were extended, and became more urgent; insomuch that, this country being the nearest from which immediate supplies could be obtained, orders were received here in May of that year, by some of the principal houses in the corn trade, to buy and ship forthwith large quantities of wheat, which accordingly were exported chiefly from London to Havre, and others of the nearest ports of France. There were orders also for a quantity of American flour, which was lying at Liverpool, and which was purchased for account of the French government, at prices as high as 80*s.* per barrel and upwards. Purchases of wheat were likewise made for account of individuals for export to France. The whole quantity shipped thither from this country, in the spring

		Per Septier.		Per Winch. Qr.	
		fr.	*cs.*	*s.*	*d.*
1817.	Jan. 1.	52	0	77	7
	Feb. 5.	57	0	84	9
	Mar. 5.	55	50	82	10
	April 2.	57	0	84	9
	23.	60	0	89	7
	May 14.	63	0	93	10
	21.	66	0	98	6
	28.	75	0	112	0
	June 4.	82	0	122	5
	11.	92	0	137	6

* The purchases of wheat and flour by the government of France, in 1816 and 1817, both abroad, and in such of the departments of that country as were better provided than others, were computed to have cost, including the expenses of holding and of resale, a sum of seventy millions of francs, about 2,800,000*l.* sterling. The bounties on importation, in 1816 and 1817, were stated by the Custom-house returns to have amounted to 10,209,243 francs. (*De la Disette et de la Surabondance en France, par P. Laboulinière*, vol. ii. p. 414.)

Mr. J. B. Say also estimates the expenses incurred by the government of France, in measures of precaution against the famine of 1816 and 1817, as exceeding seventy millions of francs.

of 1817, is computed to have amounted to nearly, if not quite, 300,000 quarters. This casual and extra demand, leading to an expectation of further orders, and occurring coincidentally with apprehensions of another failing harvest in this country, in consequence of the unfavourable appearance of our own crops, naturally gave an impulse to the markets, which, by the middle of June, reached an average price of 117*s.* per quarter for wheat.

Here, then, is not only the notorious deficiency of the harvest of 1816 in this country, which was calculated of itself to raise the prices of provisions enormously, but also an unusual sudden and great demand for corn to be exported. This export too, be it observed, not being in the way of returns for previous imports, or as payment for an unfavourable balance of trade due *from* this country, was paid for by France, chiefly in gold transmitted *to* this country. And is it conceivable that, under such circumstances, the rise in our prices of corn can be ascribed simply and exclusively to operations between our government and the Bank on the currency, with a view to the increase of the issues of Bank notes, which by the way did not come out in time to perform the work which is supposed to have been designed for them? By what possible process can such a conclusion be come to, consistently with a knowledge of the facts which are here stated, and which do not admit of being controverted? According to what definition can it be contended, that this rise in the prices of corn, between the spring of 1816 and the summer of 1817, being coincident with an influx of upwards of seven millions of bullion into the coffers of the Bank, raising the amount of it to a sum of 11,668,260*l.*, — an amount beyond any that the Bank had ever before possessed, — should be considered as resulting from a depreciation of Bank paper; the trifling increase of notes, up to the

time of the utmost rise, having been in a very small proportion to the bullion purchased? Or could it be said, that the existence of the Bank restriction in this country deranged the currency of France, and compelled her to import very large quantities of corn, and to send gold hither in payment for the wheat and flour shipped thither from hence at a cost exceeding 115*s.* per quarter?

In truth, the actual state of the case was an inversion of the received hypothesis, namely, that, by the export from this country of the gold which was not necessary for our circulation, we diminished the value of gold abroad. In the present instance, as France sent her gold in payment to this country, and could not replace it with paper, she cannot have had more money, nor consequently a diminished value of her currency, so as to account for the prices of corn being higher *there* than *here*. Besides, in what sense could it by possibility be contended, that it was in consequence of the currency of France having been deranged by alterations in our currency, that, having exported corn in 1814 and 1815, she required a large importation in 1816 and 1817? The quantity of wheat imported into France, between the summer of 1816 and the spring of 1818, was no less than 1,935,566 quarters. In short, turn the theory which ascribes the rise of corn in 1816 and 1817 to the local influence of our currency in every way possible, consistently with the facts, and it will be found to fail wholly and in all its parts.

Section 6.—*Fall of Prices of Corn in this Country and in France in the Summer of* 1817, *and the State of the Corn Trade till the Close of* 1818.

Immediately after the middle of June, 1817, the weather, both in France and in this country, became fine and favourable in the highest degree to the growing crops, so that, from having a back-

ward and sickly appearance, they became luxuriant and promising. Prices consequently declined in both countries; but in France more rapidly than here, because the French government, as soon as it was relieved from its apprehensions for the coming harvest, let out its stores of warehoused corn, and thus added to the natural causes of depression of the markets. Accordingly, the fall in the Paris markets, between June and September, 1817, was nearly 50 per cent. viz. from 92 fs. the septier (137*s.* the quarter) on the 11th of June, to 48 fs. (71*s.* 9*d.*) on the 17th of September. While the markets of this country, as they had *followed* the rise in France, so they likewise *followed* the fall: the highest price was on the 14th of June, when wheat, in Mark-lane, sold as high as 135*s.*; and the Gazette averages for grain at the end of June, 1817, were, for

Wheat	- -	111*s.* 6*d.*
Barley	- -	55*s.* 4*d.*
Oats	- -	39*s.* 3*d.*

On the 27th of September the price in Mark-lane was as low as 74*s.* 4*d.*; and the average for the month of September was 77*s.* 7*d.*

Of the produce of the crops of 1817, various estimates were made, the prevailing opinion being that they were somewhat deficient. The weather, with the exception of some brilliant and very hot days in June and the beginning of July, till harvest, was wet and unfavourable, and the harvest itself was late; but the weather cleared up in the last few days of August, and it continued favourable through a great part of September. The prices, in consequence, then fell, as we have seen, and the fall of the averages was sufficient to close the ports in November of that year. But as the weather, during the greater part of the harvesting, though favourable in the main, was calm and foggy, with only short intervals in the day, of brilliant sun-

shine, and as the rains again set in before the harvest was fully completed, the samples of new wheat, when brought to market, were found to be damp and cold, and unfit for immediate use. There being at the same time very little old corn of good quality remaining, the few samples of the new, which were fit for use, were in great demand, and fetched high prices. The ports opened again in February following: and as the surplus of the old stock, at the harvest of 1816, had prevented prices from rising so much as, upon such a scarcity, they otherwise would have done; so the want of a surplus after so bad a harvest as that of 1816, prevented so great a fall of prices as might otherwise have been the consequence of a crop so little, if at all, below an average, as that of 1817. The averages at the close of 1817 were, for

Wheat	-	-	85*s.* 4*d.*
Barley	-	-	45*s.* 11*d.*
Oats	-	-	27*s.* 10*d.*

The season of 1818 was of an extraordinary character, and in some respects a contrast in the extreme to that of 1816. After a rather wet spring, dry weather commenced about the middle of May, and continued almost uninterruptedly, throughout the country south of the Trent, till the middle of September. * This drought of four

* Mr. Joseph Sandars, of Liverpool, has obligingly communicated to me a description of the season of 1818, from a memorandum book, in which he had, at the time of its occurrence, recorded his observations on it with reference to the corn trade, with which he was and is extensively connected. The following is an extract from it, which, with his permission, I insert: —

"The harvest of 1818 was rather a singular one; the intensely hot and dry weather caused reaping to commence in July in the southern counties. Wheat was computed to be an average crop; but oats, barley, beans, and peas were supposed to be more than one half deficient. Beans were not one fourth of a crop. In the beginning of September there was neither

months' continuance, was more severe than any that had been experienced in this country since 1794. Apprehensions were in consequence entertained of stunted crops of every description of vegetation. Hay got up to 9*l.* and 10*l.* the load. Beans, peas, turnips, and potatoes were supposed to have totally failed. It was on the ground of anticipations of scarcity, in consequence of this character of the season, that British corn was bought freely on speculation, and that many farmers were induced to hold back their stocks: many persons, likewise, importers as well as dealers and farmers, reasoned erroneously on the operation of the corn laws, and supposed that, when once the ports were shut, having the monopoly of the home market, they would be secure of obtaining, at worst, within a trifle of the opening price of 80*s.*

When, however, towards the latter part of 1818, the importation of foreign wheat was found be so large, amounting, as it did, by the end of the year, to upwards of one million five hundred thousand quarters, and at the same time the yield of our own crop was reported to be better than, from the smallness of the bulk of straw, had been expected, the markets for this description of corn gave way; the

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grass nor turnips, and very few potatoes. In the south, it was computed that potatoes would not be one fourth of a crop. About the first week of September some rain fell, and suddenly the face of the country was changed; the fields, which had been perfectly white and brown, became green. Potatoes grew very fast. Turnips sprang up where none had appeared; and even spring corn began to come up. Great preparations had, however, been made to ward off famine. Immense quantities of barley, oats, and rye came from the Baltic; large quantities of Indian corn from America; and beans and Indian corn from Italy and Egypt. Hay came from New York, and barley from Constantinople. In October, oats were worth 5*s.* to 5*s.* 3*d.* per bushel of 45 lb.; barley, 8*s.* to 10*s.* per bushel of 60 lb.; wheat, 12*s.* to 12*s.* 9*d.* per bushel of 70 lb.; beans, 70*s.* to 80*s.* per quarter. The winter, however, was the mildest ever known, and there was plenty of grass all winter."

average price at the close of 1818 being 78*s.* 10*d.* per quarter. But, while wheat had thus fallen, although still at a scarcity price, all other descriptions of grain were considerably higher at the close of 1818 than they had been at the close of 1817: for instance —

	Dec. 1817.	Dec. 1818.
Barley -	45*s.* 11*d.*	63*s.* 6*d.*
Oats -	27*s.* 10*d.*	35*s.* 1*d.*
Beans -	54*s.* 10*d.*	76*s.* 0*d.*
Peas -	52*s.* 11*d.*	70*s.* 0*d.*

It is clear, therefore, that the relative prices were under the influence of the season, and that they were indicative of a general deficiency of produce; a circumstance which is to be specially borne in mind, when the subsequent fall of prices comes under consideration.

Section 7. — *Prices of Commodities from* 1816 *to the Close of* 1818.

The commonly received notion of the rise of prices, which is imputed to the temporary abandonment, in 1816, of the supposed preparations for cash payments, is, that the rise was a nearly simultaneous one, not only of wheat, but of most other articles, immediately following a great enlargement of the Bank issues. The impression to this effect is, however, altogether erroneous. The rise in the price of wheat, it has been seen, began early in 1816, and reached, by the end of that year, nearly its greatest height; the only advance after that time being confined to a very short period in the following spring, under the influence of a foreign demand. But in most other articles, the greatest depression of markets prevailed throughout the greater part of 1816, and many, indeed most,

articles were falling, while the prices of provisions were rising. It was not till towards the close of 1816 that many important articles of consumption, which had been greatly depressed, experienced an improved demand with an evident tendency to higher prices. The very low prices of 1815 and 1816 had induced a greatly increased consumption. The stocks of importers, dealers, and manufacturers had become greatly reduced; and a general confidence began to prevail among the best informed persons in the several branches of trade, that prices had, for that period, seen their lowest, inasmuch as the stock in hand of most of the leading articles had become manifestly below the average rate of consumption.

The causes of the falling off of supply were various. The following may be enumerated as some among them. The discouragement and despondency consequent on the great fall of prices in the interval between 1813 and 1816, had induced a general disinclination in 1816 to embark to the accustomed extent in fresh importations. But this state of depression and despondency, which would of itself have led to diminished supplies in 1816, happened to coincide with a very unpropitious season, which occasioned a great deficiency of many descriptions of produce besides corn, not only in this country, but over a great part of Europe. The inclemency of the season occasioned a failure of the vintage in France, and of the crops of silk and oil in Italy, besides directly or indirectly affecting flax, tallow, wool, hops, and numerous other articles. There occurred about the same time a nearly total failure of the whale fishery. Accordingly, the scarcity was very general. There are, indeed, no instances, except those of 1808 and 1811, of a scarcity or falling off so great and so general, of imported commodities, as in 1816 and 1817. The falling off of the importations of 1816, compared with

those of 1814 and 1815, is, indeed, quite striking, as will appear by the following statement: —

Imports into Great Britain.

Years.	Silk.	Wool.	Coffee.	Hemp.	Tallow.	Flax.	Linseed.
	lb.	lb.	Cwt.	Tons.	Tons.	Tons.	Bush.
1814	2,280,223	15,712,517	1,029,556	27,264	29,445	26,238	1,364,959
1815	1,800,333	14,991,713	815,440	36,575	32,082	17,550	766,983
1816*	1,137,922	8,117,864	499,075	18,473	20,858	12,371	567,138

Such a falling off of supply was naturally calculated to attract attention during the progress of the importations; and when these were ascertained to be deficient in so great a degree, a general disposition among dealers to lay in stocks became evident: such a state of things is usually the precursor of a spirit of speculation. This, therefore, although not yet developed at the close of 1816, was then on the eve of displaying itself, and the full effect was exhibited in the great rise of prices, which took place in 1817 and in 1818, of some of the articles of which there was so marked a deficiency of supply. The most striking instances of advance were silks, coffee, tallow, linseed, and oils, which, in the course of 1817 and 1818, experienced a rise of 50 to 100 per cent. from their lowest point of previous depression. With the exception of coffee, the articles which were most distinctly the subjects of speculation, were those of which the scarcity was attributable to the effects of the extreme of wet in 1816, and of drought in 1818. This was particularly the case with linseed, tallow, and spring corn. And the price of oils advanced, not only from the same general cause, but also from the failure, in the two successive seasons of 1816 and 1817, of the northern whale fishery.

In 1815 and the early part of 1816, the exports

* Of cotton there was no falling off in the import, and no advance, worth mentioning, of the price.

from this country had been made with great forbearance and prudence, because almost every class of merchants was at that time suffering from the effects of the too great eagerness of adventure of the two preceding years: this general forbearance was, of course, attended by a large profit to those who adventured; and the consequence of the favourable result of shipments on a small scale was, as usual on such occasions, not only that the houses regularly in the trade extended their shipments, but that fresh adventurers embarked in them to a considerable extent.

Under these circumstances, all indicating revived confidence, there arose inevitably a tendency to speculation; and it is quite clear, that there must, in consequence, have been an advance of prices, and a considerable enlargement of the circulation, through the medium of private paper, and of transactions on credit, independently of any increase of the Bank issues.

The extraordinary character of the season of 1818 has already been noticed, as having given rise to extensive speculations on the apprehended scarcity of several descriptions of produce, such as spring corn and the leguminous tribes, which were supposed to be irretrievably destroyed by the great drought, which prevailed from May till the middle of September of that year. This circumstance is to be borne in mind, as contributing, with the deficiency of imported produce, greatly to extend the sphere of speculation. Accordingly there prevailed, during a part of 1817 and a part of 1818, that sort of excitement which characterises periods of speculation. And that period is, therefore, referred to by the partisans of depreciation, as one of great prosperity, produced simply, as they assert, by an extension of the paper circulation, which alone had caused that rise of prises. A state of prosperity, it doubtless was,

as long as it lasted, to those who were gaining, or appeared to be gaining, by the rising markets; but, to the bulk of the population, those rising markets were the occasion of privation and suffering: witness the disturbed state of the population at that time. And with regard to the degree in which that prosperity, as it is called, arose out of the state of the Bank circulation, we shall, in the next few pages, have occasion to see how little foundation there is for the imputed connection between the Bank issues, or the circulation generally, with the high prices of 1817 and 1818, in the relation of cause and effect. In the mean time it is to be observed, that the causes of casual scarcity of supply, which, as has been seen, had been the occasion of the high prices, had ceased to operate, and a change was thenceforward in progress, tending to the restoration of abundance, and to the consequent subsidence of prices. This tendency had already become manifest in most articles, at the close of 1818. But as the extent of the increased importations of 1818, both of corn and of other articles of consumption, was not ascertained, nor its full effect appreciated, till the commencement of 1819, a statement of them, and of the consequences which they were calculated to produce, and did produce, will be reserved for consideration in the next epocha. Suffice it here to say, in general terms, and in anticipation of the comparative statement which will appear at the commencement of the ensuing epocha, that the importations, which were in progress at the close of 1818, were, with reference to the previous state of markets and of prices, *of overwhelming magnitude*, and such as must, under a uniform state of the currency, inevitably have entailed very great depression of prices.

SECTION 8. — *State of the Circulation from* 1814 *to* 1818.

Having thus seen how fully the variations in the prices of corn and of other commodities, in the interval which has passed under review, namely, from the commencement of 1814 to the close of 1818, admit of being accounted for by circumstances affecting the supply and demand, without reference to the circulation, we shall proceed to take a survey of the manner in which the issues of the Bank were regulated, in order to be enabled to judge how far they may be inferred to have exercised a direct influence on prices.

The position of the Bank of England, on the 28th of February, 1814, was —

Circulation.	£	Securities.	£
Notes of 5*l.* and upwards	16,455,540	Public	23,630,317
Under 5*l.* - -	8,345,540	Private	18,359,593
	24,801,080		41,989,810
Deposits - -	12,455,460	Bullion	2,204,430
Liabilities	37,256,540	Assets	44,194,340

The price of gold was at that time 5*l.* 8*s.*, of standard silver 6*s.* 11½*d.*; the exchange on Hamburg 29*s.*, and on Paris 21 fs.—It is perfectly clear, therefore, that, with the exchanges in that state, if the Bank had at that time been called upon to make immediate preparations for cash payments, that amount of paper could not have been retained in circulation. A great and violent contraction of its issues must have been resorted to. And the effect of the contraction would have been to have accelerated the fall, which was already in progress, of the prices of corn and of other European produce, and to have terminated more abruptly the speculations which were then going forward

in exportable commodities. But the contraction would have been rendered necessary; not because the amount existing was greater than could have been maintained in a convertible state of the paper, provided that there had been no extraordinary foreign expenditure pressing upon the exchanges; but that the foreign expenditure then going forward, was on so enormous a scale, as could only be counteracted, and that perhaps not effectually, by the utmost practicable reduction of the issues. It may, indeed, be argued, that, as the Continent had ceased to be shut against us, and as the exports were so large at the close of 1813, and the early part of 1814, they should have gone a considerable way towards answering the demands for foreign payment. And so they did to a great extent, but not far enough; for, in the first place, a large proportion of the exports on that occasion were speculative, for account of the shippers on this side, and, therefore, did not bring immediate returns; and, in the next place, the concluding efforts of this country, in pecuniary aid to the allied armies in the North of Europe, and in the pay of our own armies, and fleets, and transports in the South of Europe, and in winding up the arrears of the commissariat accounts, were, in a financial point of view, of a magnitude that is almost passing belief. The importations of corn were at the same time considerable. The extra foreign expenditure, under these two heads, was—

1813.	Government expenditure		£21,817,313
	Corn imported	-	2,192,592
			24,099,905
		£	
1814.	Government	26,945,027	
	Corn imported	2,815,319	
			29,310,346
			£53,320,251

It is to be observed, moreover, that of this

enormous extra expenditure in 1814, the greater part was crowded into the first three or four months of that year. And the importations, besides those of corn, were on a greatly extended scale, compared with those of the two years preceding.

A decisive proof, however, that although the amount of the circulation was excessive, with reference to the maintenance of the paper on a level with its standard under such extraordinary circumstances, it was not so when the operation of those circumstances had abated and eventually ceased, is to be derived from the fact, that, not only without any reduction of the amount of Bank notes, but positively in the face of an increase, the exchanges rose, and the price of gold fell rapidly. The preliminaries of peace between the allied powers and France were signed in April, 1814; and within the six months following, the price of gold had fallen to 4*l.* 5*s.*, and the exchanges had risen to 33*s.* on Hamburgh, and to 23 fs. 30 cents. on Paris. The prices of commodities, too, in that interval, fell considerably. And yet, in that interval, the circulation of the Bank had been greatly extended, as will appear by the following statement of its position on 31st of August, 1814: —

Circulation.	£	Securities.	£
Notes of 5*l.* and upwards	18,703,210	Public	34,982,485
Notes under 5*l.* -	9,665,080	Private	13,363,475
	28,368,290		48,345,960
Deposits -	14,849,940	Bullion	2,097,680
Liabilities	43,218,230	Assets	50,443,640

Here, by the miserable policy of the government, and by the weak compliance of the Bank, inconsistent with the professions of the directors,— there being no urgent plea of state necessity,—an addition was made of upwards of ten millions to their public securities, an increase of more than

two millions to the circulation of notes of 5*l.* and upwards, and of nearly three millions and a half, including notes under 5*l.* And if these issues are compared with those of February, 1813, they will be found to have increased by upwards of five millions!

And yet, in the greater part of the innumerable speeches and pamphlets, to which the interminable controversy on the currency has given rise, the Bank is confidently stated, or obviously assumed, to have begun, in 1814, its preparations for cash payments!

But, injudicious and impolitic as was, in every point of view, that enlargement of the Bank circulation at this time, the only effect of it seems to have been that of arresting the improvement of the exchanges, and the further fall in the price of gold. If, therefore, notwithstanding this ill-advised large addition to the Bank issues, which was entirely in advances to government, the exchanges were upwards of 30 per cent. higher, and the price gold nearly 20 per cent. lower, than they had been, and the prices of corn and of all other commodities falling, the presumption is the strongest possible, that, had the amount of the Bank circulation been simply confined to what it had been in February, 1814, being a larger amount than it had ever before attained, the value of the paper would have been completely restored, and bullion would have been flowing into the coffers of the Bank. And the conclusion, moreover, is hence all but irresistible, that, during the whole of the preceding interval of five years, the amount of the circulation, such as it was, would not have been in excess, but for the extraordinary circumstances of the times, which necessarily created an unusual and increasing demand for and absorption of gold, and consequently conferred on it a greatly increased value.

This enlargement of the Bank issues in 1814,

so much at variance with the received notion with respect to that period, as being the commencement of preparation for cash payments, did not prevent, although it may possibly have broken, the fall of prices of corn and other commodities. The extent of the general fall of prices, and the circumstances connected with it, independently of any reference to the currency, have already been described; and it here only remains to place in juxtaposition the average circulation of the Bank in the last quarter of 1814, and of the two preceding years, with the average price of wheat at the close of each of those years.

The comparison will stand thus: —

	Bank notes of 5*l.* and upwards.	Wheat in Dec.
	£	per Qr.
Last quarter of 1812 -	15,647,350	- 121*s.*
1813 -	16,092,590	- 73*s.*
1814 -	18,502,690	- 65*s.* 8*d.*

And in January, 1815, the price had further declined to 62*s.*

It is here particularly to be observed, that the increased issue in 1813 and 1814, coincident with so great a fall of prices, was through the medium of advances to government.

There was in the course of 1815, a reduction of the Bank circulation, to the extent, however, of only about five hundred thousand pounds, in the first six months of that year, during which, as has been seen, there was a temporary *rise* of 7*s.* to 8*s.* in the price of wheat, under the influence of a speculative opinion on the probable effects of the renewal of the war on the Continent, in consequence of the return of Bonaparte from Elba.

The event here alluded to, namely, the landing of Napoleon in France, had the effect of instantly depressing the exchanges, and raising the price of

gold in an extraordinary degree *; and as this effect took place at a time, and under circumstances in which it was clear, beyond the possibility of doubt, that our internal circulation had undergone no corresponding alteration, it has served as a striking illustration in proof of the position, that an exchange adverse, beyond the mere expenses of transmission of the metals, does not necessarily imply a preceding increase of the quantity of money, nor consequently, in an inconvertible state of the paper, a depreciation of the currency, in any other sense than that of a mere reference to its standard. After the battle of Waterloo the exchanges rose, and the price of gold fell as rapidly as they had just before tended in an opposite direction.† There was, in the last six

* The exchanges which immediately previous to the intelligence of that event had been, on Hamburg - 32. 3.
and on Paris - 22. 10.
suddenly fell to 28*s.* on Hamburg, and 18 fs. 80 cs. on Paris, and the price of gold rose from 4*l.* 9*s.* the ounce to 5*l.* 7*s.*

† The inference to be derived from this circumstance against the ultra doctrine of depreciation is so clearly and forcibly put by Mr. Blake, that justice cannot be so well done to the argument as by here introducing the following extract from his work already quoted: —

"It was the want of connection between the amount of Bank notes and the price of bullion, that first led me to suspect the accuracy of the theory, that attributed the high price of gold to the over issues of the Bank; and the suspicion gave way to absolute conviction, upon the events that took place on the peace in 1814, and the return of Bonaparte from Elba in 1815.

"When the war ceased in 1814, the price of gold bullion was five guineas per ounce, that is nearly 30 per cent. above the Mint price, and it had been at that price, upon an average, ever since the latter end of the year 1812. From May, 1814, it fell gradually, and was at 4*l.* 9*s.* per ounce before the following March, the exchange experiencing, *pari passu*, a corresponding improvement: on the arrival of the news of Bonaparte's landing in France from Elba, the exchange varied at once 10 per cent., and continued falling, whilst the price of gold mounted as rapidly to 5*l.* 6*s.* per ounce. All the symptoms that had been considered as indicating a depreciation of

months of 1815, a further reduction of the Bank circulation; but still leaving the amount higher than it had been in 1813, and in the first six months of 1814.

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the currency, previously to the peace of 1814, immediately manifested themselves, and continued during the one hundred days of Bonaparte's power. The battle of Waterloo again put an end to the war, and, from that moment the exchange gradually recovered. The price of gold fell back proportionably, and in the course of the following year was at 3*l.* 18*s.* 6*d.* per ounce, that is, within 7½*d.* of the Mint price.

"During the whole of this period there was but little variation in the Bank issues, the numerical account of the notes, in the beginning of 1814, and the end of 1815, being about twenty-five millions. They had been, at one time, in the course of two years, as high as twenty-eight millions; but, by a perversity most unfortunate for the theory of depreciation, the issues of notes were continually augmenting, whilst the exchanges were improving, and the price of gold falling: these events speak volumes. In the midst of peace, when all the symptoms of depreciation were gradually subsiding, when commodities were selling at prices corresponding with the amount then in circulation, a great political event occurs, entailing the probability of a new war, and of a great foreign expenditure. In an instant, without any change in the amount of circulation, or of consumable produce, the exchanges fall between 20 and 30 per cent., and the price of gold mounts in the same proportion above the Mint price. This state continues for one hundred days, and at the expiration of that period, when the battle of Waterloo, and the march of the allies to Paris, put an end to all further expectation of a continuance of the war, the currency still maintaining its relative proportion to commodities, all the movements begin to retrograde, and every thing returns to its former state of quiescence.

"If the symptoms that occurred during this short interval, are to be considered as proofs of an alteration in the value of the currency, it is in vain to continue the argument. To my mind, they demonstrate incontestably, that the anticipation of a large foreign expenditure acted suddenly and powerfully on the exchanges, and as suddenly, through the intervention of the exchanges, on the price of gold.

"If alterations in the amount of the currency had been the moving force, the price of gold, instead of rising, ought to have fallen. Can there be a doubt then, that in this case the gold was raised for a time above the level of the currency, and afterwards fell back to it? And if in this case, why not in

If, therefore, the further decline, which took place in the price of wheat, at the close of 1815, viz. to 55*s*. 6*d*.. be ascribed exclusively to the reduction of the Bank circulation, why, with a much lower state of the circulation, should the prices in 1812 and 1813 have been so much higher? But in the first three months of 1816 there was an increase of about five hundred thousand pounds, compared with the preceding quarter; and yet the prices of grain, including spring corn, rather gave way; the averages standing thus: —

	Wheat.	Barley.	Oats.
1816. January	52*s*. 6*d*.	24*s*. 8*d*.	18*s*. 7*d*.
February	56*s*. 6*d*.	24*s*. 8*d*.	18*s*. 5*d*.
March	54*s*. 8*d*.	23*s*. 6*d*.	17*s*. 8*d*.

And in further proof of the absence of the imputed connection, the average circulation underwent a small reduction in the second quarter of 1816, while the price of wheat rose upwards of 20*s*. the quarter; thus in the three months ending

	Bank Notes of 5*l*. and upwards.	Price of Wheat in March,
31 March	£ 17,484,520	54*s*. 8*d*.
		in June,
30 June	17,311,280	75*s*. 4*d*.

But it may be, as it has been argued, that between the last six months of 1814 and the first six months of 1816 the amount of the Bank issues formed no criterion of the amount of the circulating medium, inasmuch as in that interval there had been so great a chasm in the general circulation by the failure of country banks, and by the other nu-

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others that occurred previously to the peace of 1814, when the same disturbed forces were in action?

"This fact alone throws all the *onus probandi* on the advocates for depreciation." p. 21.

merous failures, and the consequent commercial discredit, as was very inadequately supplied by the increase which had taken place in the Bank circulation. This is very true, and there can be no question that the mere returns of the Bank circulation do not at all times furnish a criterion of the relative amount of the circulating medium. But if this be so, what becomes of the innumerable statements which implicitly proceed upon the assumption that the Bank issues did furnish such criterion? And what is of more importance in the argument, what becomes of the assertion, that the Bank contracted its circulation in the interval above alluded to, in *preparation for cash payments*, and that it was *the contraction* of the Bank circulation that caused the failures of the country banks, and the general discredit which prevailed at that time? assumptions to this effect being essential to the currency theory.

It is quite clear that so great a fall of prices as took place between 1813 and 1816 could not fail of producing failures and general discredit, and a great reduction of the credit part of the circulation. But it is a fact susceptible of the fullest proofs, that prices fell before any reduction of the circulation of the country banks had taken place. The reduction of that part of the circulating medium was an inevitable consequence, and not the cause of the fall of prices; as the previous growth of it had been the consequence of the tendency of markets from causes distinctly affecting the supply and demand to a rise of prices, so a contraction necessarily followed the fall of prices. As there had been an expansion * to admit of the operation of

* As the state of bullion prices in this country in 1816, and the earlier part of 1817, was below its usual level, compared with other countries; if there had been no expansion of credit, there must have been a still greater influx of bullion than that which occurred, great as it was, at the period above-mentioned.

the elevating causes, there was necessarily a collapse upon the occurrence of those of an opposite tendency. The extraordinary circumstances prevailing in the interval from 1811 to 1814 were calculated to raise prices, and consequently to promote a growth of private paper and credit, and the change or simply the withdrawal of the operation of those causes between 1814 and 1816, was naturally followed by a cessation and removal of that excrescent growth.* But as the upward tendency of prices, and the consequent extended use of credit impart the appearance of prosperity to the period in which they prevail, so is the opposite state of falling prices and collapsing credit invariably characterised as one of adversity and distress: and in the interval here alluded to, the fall (and a great fall it was) of prices, having extended to nearly all descriptions of produce, the distress was great in degree, and very widely spread.†

It may be doubted, however, whether, with the exception of the agricultural classes, the distresses

* The great destruction of country paper, and the consequent reduction of the circulating medium, as having *originated in the previous fall of prices* of agricultural produce, was noticed by Mr. Horner on his motion in the House of Commons respecting cash payments, on May 1. 1816, in the following terms:—

"From inquiries which he had made, and from the accounts on the table, he was convinced that a greater and more sudden reduction of the circulating medium had never taken place in any country, than had taken place in this country, with the exception of those reductions which had happened in France, after the Mississippi scheme, and after the destruction of the assignats. He should not go into the question how this reduction had been effected, though it was a very curious one, and abounded in illustration of the principles which had been so much disputed in that House. The reduction of the currency had originated in the previous fall of the prices of agricultural produce. This fall had produced a destruction of the country bank paper to an extent which would not have been thought possible without more ruin than had ensued."

† It is to be specially observed that the greater part of the rise in the price of corn in 1816, took place during the severest pressure of both agricultural and commercial distress.

consequent on the great fall of prices, and the commercial discredit, were so great between 1814 and 1816, as they had been between 1810 and 1812. In as far as the number of commissions of bankruptcy can be considered as any criterion, those issued in 1810 to 1812, indicate a greater number of failures than in 1814 to 1816. The comparison stands thus:—

	Number of Commissions in each year.		Against Bankers in each year.
1810,	2314		26
1811,	2500		4
1812,	2228		17
		7042	— 47
1814,	1612		29
1815,	2284		26
1816,	2731		37
		6627	— 92

The greater number of commissions against bankers, chiefly country bankers, in the latter period, may be naturally accounted for by the circumstance, that although in the former interval there had been considerable losses among the agriculturists, and in the corn trade, they bore but a small proportion to the losses sustained by these in the latter period, and as a large part of the advances by country bankers at that time was upon farming stock, and upon the personal security of farmers and cattle dealers, the more extensive failure of these would entail that of an increased number of the country bankers.

But the most important consideration arising out of the comparison of the two periods is, that it tends to throw additional light on the question of the degree of influence to be ascribed to the circulation of the Bank of England in producing the distress that prevailed from 1814 to 1816.

There is so great a similarity of the state of the circulation and of credit between those two periods, and the inferences resulting from that similarity are so important, that it may be worth while to notice

some of the most striking features of resemblance, more especially as the partisans both of the agricultural claims, and of the doctrine of depreciation, refer to the period between 1808 and 1814, as being one of transcendent and uninterrupted prosperity.

In both cases the speculations in the two years preceding the revulsion had originated in the great political and commercial changes which then occurred, without any coincident enlargement of the circulation of the Bank of England. In both cases an increase of country bank notes, and a great extension of credit, appear to have attended the progress of the advance of prices, while the amount of circulation of the Bank of England was nearly stationary. In both cases, some enlargement of the Bank circulation accompanied the first fall of prices. In both cases a great and sudden increase of Bank of England notes was issued to supply the chasm caused in the circulation by the shock to general credit, from the failures consequent upon the sudden fall of prices. In both cases, although the death-blow had been struck by the first revulsion, the parties lingered for many months after: thus the number of bankruptcies on the average of 1811 and 1812, was greater than it had been in 1810; as in 1815 and 1816 it was greater than in 1814. In both cases, after the sudden enlargement of the Bank issues which had been made to meet the first great shock to credit, a part of the enlarged issues was withdrawn.*

* The average of Bank notes of 5*l.* and upwards, was,

	£
Two last quarters of 1810 - -	16,974,850
Ditto 1811 - -	15,565,315
Decrease	1,409,535
Two last quarters of 1814 - -	18,785,305
Ditto 1815 - -	17,313,875
Decrease	1,471,430

From a comparison, therefore, of these two periods so singularly analogous, it seems to be just as reasonable to conclude, that the great fall of prices, the failures of the country bankers, the state of commercial discredit, and the consequent great contraction of the circulation at the close of 1811, was caused by the Bank of England and the country banks preparing for cash payments, as that such preparation was the cause of the contraction of the general circulation at the close of 1815, when the lowest point of depression of the latter period occurred. And as if in order to complete the analogy, it may be observed, that the rise of 50 per cent. in the price of wheat which occurred in the first six months of 1812, was coincident with a state of the Bank circulation, lower than that of the corresponding six months of 1811, so likewise there was in the first six months of 1816 a rise in the price of wheat of 50 per cent., coincident with a similar decrease of the Bank circulation, as compared with the corresponding six months of 1815.*

And if the average of the whole twelve months of each of those years be taken, there will still appear to have been a decrease in 1812 and in 1816, as compared respectively with 1811 and 1815, although the decrease would not be quite so striking, still

* The comparison stands thus: —

	Average of notes of 5*l.* and upwards.
	£
Two first quarters of 1811	16,185,380
Ditto 1812	15,637,505
Decrease	547,875
Two first quarters of 1815	18,016,020
Ditto 1816	17,397,900
Decrease	620,120

leaving, however, the analogy between the two periods complete.

But the assignment of a designed contraction of the circulation, as a *cause* of the fall of prices, and consequent distress in 1815 and 1816 is so material to the currency theory, that in order to supply the insufficiency of the alleged diminution of the amount of the circulation, the supporters of that theory have recourse to the very gratuitous supposition that the *mode* by which the Bank notes come into circulation makes an important difference in the effects. And accordingly it is asserted that a reduction of the Bank advances to government, which took place between August 1815 and February 1816, to the amount of nearly five millions, must have been productive of peculiar influence on the value of the currency. Now, in the first place, the Bank directors, who were examined in 1819, and again in 1832, were of opinion from their experience, that it was the *amount* and not the *mode* of their issue that was of importance in the effects on the money market.* The chief objection to have a large proportion in advances to government being, that it was not sufficiently within their control. In the next place, it might be shown, on general grounds, that the difference of the mode of issue, supposing the amount the same, is not calculated to produce the effect im-

* Mr. Henry Thornton, on Paper Credit, p. 97., states an opinion to the same effect.

"The government is only one large borrower from the Bank; the merchants are a number of similar though smaller borrowers. Whether therefore the Bank lent more to individuals, and less to government, or less to government and more to individuals, the effect as to the number of notes allowed to be in circulation must have been equal. The exchequer, after receiving notes from the Bank, almost as quickly pays them away, and thus sends them into the common circulation as the merchant does; and it is the total quantity of circulating notes, and not the manner in which they come into circulation that is the material point."

puted. But a discussion of the general grounds would lead to an inconvenient length, and it is superfluous to enter upon them, because, thirdly, the facts of the case are quite decisive upon the point. If it was the part of the circulation so issued that produced the alleged great influence on prices, how happened it that during the fourteen years immediately following the Bank restriction, viz. till the close of the year 1810, the real cash advances to government were of smaller positive amount, and bore a smaller proportion to the whole of the circulation, than the investments by the Bank in government securities at any subsequent period. Yet in that interval of comparatively small advances to government occurred the phenomena of as high prices as any that marked the remaining term of the Bank restriction * ; while on the other hand the greatest increase of advances was coincident with the fall of prices in 1813 and 1814.

The advances were—

		Wheat.
In Aug. 1812 - -	£21,165,190	156*s.* 0*d.*
Aug. 1813 - -	25,591,336	112*s.* 6*d.*
Aug. 1814 - -	34,982,485	73*s.* 8*d.*

The inference, however, apparently intended to be drawn from the fact of the repayment by government to the Bank between August 1815 and February following, on which so much stress is laid as to its influence on prices of the reduction of the public securities of the Bank is, that it entailed a corresponding, or at least a considerable

* A striking instance of a very great relative reduction of the Bank advances to government, followed by a very great rise in the price of wheat in 1805, has already been noticed, but is so material a point as to be worth here repeating.

	Advances.	Wheat.
In August 1804	£14,993,395	59*s.* 9*d.*
Ditto 1805	11,413,266	98*s.* 4*d.*

reduction of issues.* But the following comparative statement of the position of the Bank in August 1815 and February 1816 will show that the total amount of the circulation was not materially affected by that repayment, while of *5l.* notes and upwards it was rather larger at the latter date:—

31 August, 1815.

Circulation.	£	Securities.	£
Notes of *5l.* and upwards	17,766,140	Public	24,194,086
Notes under *5l.*	9,482,530	Private	20,660,094
	27,248,670		44,854,180
Deposits	12,696,000	Bullion	3,409,040
Liabilities	39,944,670	Assets	48,263,220

29 February, 1816.

Circulation.	£	Securities.	£
Notes of *5l.* and upwards	18,012,220	Public	19,425,780
Notes under *5l.*†	9,001,400	Private	23,975,530
	27,013,620		43,401,310
Deposits	12,388,890	Bullion,	4,640,880
Liabilities	39,402,510	Assets,	48,042,190

‡ Rest 8,639,680*l.*

* Extract from Mr. M. Attwood's speech in the House of Commons, p. 387., June 12. 1822:—

"The House will recollect that the question of the return to payments in cash by the Bank in money of the old value was

† The reduction of the amount of small notes was probably compensated by the guineas which were then beginning to come out of private hoards; and this circumstance will account for a further reduction of small notes which was thenceforward in progress.

‡ The difference between the liabilities and the assets is in the Bank accounts termed the *rest*. In the previous references which I have thus far had occasion to make to the position of the Bank at particular periods, I have not taken any notice of the rest, because it does not appear to have had any direct bearing on the points under discussion. It is here only introduced for the purpose of observing that the above amount is about the highest which it ever reached, and it was in the spring of 1816 that an addition of 25 per cent. was made to the capital stock of the proprietors, out of this surplus profit, without any further call.

But if the partisans of the currency doctrine have most egregiously misconceived, or at any rate misstated and perverted, the order of time in which the fall of prices and the contraction of the Bank circulation took place, in their account of the causes of the agricultural and commercial distress which prevailed in 1815 and 1816, they have equally done so in their explanation of the rise of prices, and the renewed appearances of prosperity in the interval from 1816 to 1818. They contend that the experiment* (which is gratuitously as-

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never discussed by parliament, without that other question of the repayment to the Bank of its advances to government coming under consideration at the same time, as undoubtedly and essentially connected with it. What then was the nature of the connection between the resumption of cash payments by the Bank, and the amount of its advances to government? It was, that the resumption of cash payments in money of the old standard required that a reduction of the amount of Bank notes, and an increase in their value, should be previously effected; and that as it was in advances to government that these notes had been principally issued and circulated, so the repayment of those advances afforded the most convenient and the only practicable mode by which they could be withdrawn; and on these transactions it is, connected with this debt, and lost sight of altogether by the Right Honourable Gentleman, on which the alterations experienced since the war in the value of money do almost entirely depend; on which the rise in the value of money in 1815 and 1816, and its subsequent depreciation in the two succeeding years *entirely* turn; and *mainly* the second rise in the value of money commencing in 1818."

A reference is then made to the reduction of the debt to the Bank, which took place between the month of August 1815 and the month of February 1816.

* In a further passage of the speech of Mr. Attwood, of the 12th of June, 1822, "It (the experiment with a view to cash payments) has," he said, "been twice made. It was made in the years 1815 and 1816. It was the cause of all the calamities, never to be forgotten, which then befel the country. The fall of prices then experienced was its necessary consequence. It was abandoned, at the commencement of 1816, by the administration, alarmed by the consequences of its own measures. The debt which had been repaid was again advanced. The money which had been withdrawn was again and in haste returned to the circulation. The

sumed to have been made of preparing for cash payments, by a contraction of the Bank circulation), was abandoned at the commencement of 1816, that the debt was again advanced, that the money which had been withdrawn was returned to the circulation, and that the prices of the war and universal prosperity followed it.†

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standard of the war was again restored. The prices of the war accompanied it. The burthens of the country were seen once more to be no more than commensurate with its resources. All the difficulties of the people ceased; one universal scene of general prosperity was restored. But that prosperity had scarcely been established, before that fatal experiment was a second time commenced. It has continued to the present time; it is now in process."

" The Right Honourable Secretary said that I should tell him of the failure of the country banks in 1815 and 1816, and account by that for the fall of prices and the rise in the value of money which produced effects so disastrous at that time. I shall be guilty of no such absurdity. I shall refer him to the year 1810, when nearly as great a proportion of the country bankers failed as in 1815; and when no fall of prices * or increase in the value of money accompanied those failures."— " And with respect to the fall of prices, and the rise of money in 1815 and 1816, I refer him to this operation before as carried into effect for the express purpose of lessening the quantity and raising the value of money, and of necessarily producing these effects. Will it be thought that this is ascribing too great importance to the effect of this last referred to operation? It was in its advances to government that those notes were issued by the Bank, which, protected in circulation by the restriction bill, and becoming excessive in quantity, became also depreciated in their value. It was by the repayment of those advances that those notes were again lessened in quantity, and their value raised."

† How far the supposition of such a state of things as the consequence of the renewed advances by the Bank to government at the commencement of 1816 is consistent with facts, may be col-

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* It is not easy to imagine an attempt at the illustration of a theory by an assumption of facts, or of a state of things more remote from the truth, than is exhibited in the assertion that there was no fall of prices, or increase in the value of money, accompanying the failures in 1810.

The rise of prices in 1816 and 1817 is here expressly ascribed to the enlargement of the circulation of the Bank, and to the renewed depreciation of its paper, in consequence of the asserted abandonment of the supposed preparation for cash payments. And as the fall of prices subsequent to 1818 is ascribed wholly to a contraction of the circulation, rendered necessary as a measure of renewed preparation for cash payments, it is essential, with a view to a just conclusion, to examine how far, in point of fact, there was such an increase of the Bank circulation in amount, or in order of time, and such a depreciation of it as to justify the inference of that increase as the cause of the rise of the price of wheat in 1816.

The fact is, that there was no enlargement of the Bank circulation, either in the first six months of 1816, as compared with the last six months of 1815, or in the whole twelve months of 1816, as

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lected from the following extracts of the Prince Regent's speech on the opening of parliament on the 28th January 1817:—

"I regret to be under the necessity of informing you that there has been a deficiency in the produce of the revenue in the last year; but I trust that it is to be ascribed to temporary causes."

"The distresses consequent upon the termination of a war of such unusual extent and duration, have been felt with greater or less severity throughout all the nations of Europe; and have been considerably aggravated by the unfavourable state of the season."—"Deeply as I lament the pressure of these evils upon the country, I am sensible that they are of a nature not to admit of an immediate remedy; but while I observe with peculiar satisfaction the fortitude with which so many privations have been borne, and the active benevolence which has been employed to mitigate them, I am persuaded that the great sources of our national prosperity are essentially unimpaired; and I entertain a confident expectation that the native energy of the country will, at no distant period, surmount all the difficulties in which we are involved."—"In considering our internal situation you will, I doubt not, feel a just indignation at the attempts which have been made to take advantage of the distresses of the country for the purpose of exciting a spirit of sedition and violence."

compared with that of the year 1815; and that so far from any indication of depreciation, the exchanges rose, and the prices of gold and silver fell progressively and considerably through the whole of 1816, while the price of wheat advanced nearly 100 per cent. The comparison stands thus: —

	Average of Bank Notes of 5*l.* and upwards.	Wheat.
	£	
6 months, ending Dec. 1815,	17,313,875	54*s.* 8*d.*
Ditto, ditto, June 1816,	17,397,900	74*s.* 0*d.*
12 months, ending Dec. 1815,	17,659,947	54*s.* 8*d.*
Ditto, ditto, Dec. 1816,	17,582,937	103*s.* 7*d.*

But as this comparison does not answer the purpose of the theory, the year 1817 is especially fixed upon as that in which the increase of Bank notes accounts for the rise, and with which the asserted contraction subsequently is compared, in order to bring out the conclusion of its paramount influence on prices.

There was indeed a marked increase of the Bank issues in 1817, and as there was during a part of that year a further rise in the price of wheat, that enlargement of the circulation has the credit of the whole of the advance of prices subsequent to the close of 1815. Accordingly there being *for a very short time* in 1817, an enlargement of the Bank circulation to 30 millions, including notes under 5*l.*, that amount is commonly taken as the standard *up to which* prices are considered to have been rising, and *from which* they are said to have been falling.*

* In many, if not in most, of the instances in which statements have been put forward of the amount of the Bank issues, during and subsequent to the restriction, the notes under 5*l.* are included, without any reference to the circumstance that the withdrawal of these was attended with a substitution of *at least* an equal amount of sovereigns.

But how stands the fact? The price of wheat, which was stationary, or, if any thing, rather declining, in the first quarter of 1817, experienced a sudden advance, *from an extraordinary demand for exportation to France,* in May and the early part of June. If therefore the comparison be confined, as in strictness it ought to be (with reference to the argument built on the enlarged issue to the amount of 30 millions in that year), to the precise dates of the issue, with the price of wheat, it would stand thus:—

	Bank Notes, including those under 5*l.*	Price of Wheat.
June 7. to 14. 1817.	£26,450,000	112*s.*
July 12. to Aug. 26. 1817.	30,700,000	86*s.*

The price further fell in September to 74*s.*

If the average of the six months ending in June 1817, be taken with reference to the corresponding period of the two preceding years, the comparison will stand thus:—

January to June,	1815,	£27,155,814
Ditto,	ditto,	1816,	26,468,283
Ditto,	ditto,	1817,	27,339,768

showing an increase not worth mentioning, as compared with 1815, and inconsiderable as compared with 1816. But the principal increase was in the last six months of 1817, the amount being 29,210,035, or nearly two millions beyond that of the preceding six months. And yet *this augmentation of issues was accompanied by a fall of nearly* 40*s. in the price.*

If the increase in the last six months, compared with that in the first half of 1817, be taken upon the notes of 5*l.* and upwards, it will appear to be greater than if the small notes be included; thus:—

		Wheat.
Jan. to June 1817	£19,272,890	June 112*s.*
July to Dec. —	21,342,610	Dec. 85*s.*

But as it has been seen that the increased issue did not prevent the fall, so it will appear, that when the circulation was reduced in the first six months of 1818, the reduction was accompanied by a rise in the price of wheat; for instance,

	£	Wheat.	
July to Dec. 1817,	21,342,610	80*s.* to 84*s.*	Nov. and Dec.
Jan. to June, 1818,	20,535,415	84*s.* to 87*s.*	May and June.

And, although there was a further reduction of the circulation in the last six months of 1818, it was still considerably higher than it had been in the corresponding six months of 1816; thus,

	£	Wheat.
July to Dec. 1816,	17,718,975	Dec. 103*s.* 6*d.* pr. Qr.
July to Dec. 1818,	18,939,740	— 80*s.* 8*d.*

The task of going through these instances of discrepancy has been tedious and irksome, but absolutely necessary, in order to prove the utter groundlessness, as far at least as relates to corn, of the assertions so confidently made, that the rise of prices was caused by the abandonment in 1816 of the preparations for cash payment, and by the consequent enlargement of the circulation.

There may still however be a question, with reference to the increased issues of the Bank in 1817 and 1818, how far there is reason to believe that the regulation of the issues materially differed on that occasion from what it would have been if the paper had then been convertible; for in that degree only could it be inferred, that prices, if they were materially influenced by the currency, were so in consequence of the restriction, differently from what they would have been under cash payments.

The principal increase which took place in the circulation, was from August, 1816, to August, 1817; and the relative position of the Bank on the

31st August in each of those two years as follows:—

		Liabilities.		
		Circulation.	Deposits.	Total.
Aug. 31.	1816,	£26,758,720	11,856,380	38,615,300
—	1817,	29,543,780	9,084,590	38,628,370
		Assets.		
		Securities.	Bullion.	Total.
Aug. 31.	1816,	£37,279,540	7,562,780	44,842,320
—	1817,	32,605,630	11,668,260	44,273,870

It hence appears, that there was no increase of the liabilities, the diminution of the deposits almost exactly compensating the increase of the circulation. But the more immediate object of this comparative statement is to show that the augmentation of the circulation was, between August, 1816, and August, 1817, not nearly commensurate with the increase of bullion.* Supposing, therefore, that, from a wish to keep down the numerical amount of circulation, the Bank had refused to buy gold at any price, and supposing the mint at the same time to have been open to the public, so as to have returned it immediately in coin, the gold might, and probably would, have been taken to the mint, and the same amount would have been added to the circulation in the shape of sovereigns, with the same effect on the money market and on prices as actually occurred, although the amount of Bank notes would have been diminished rather than increased, as compared with 1815, or the commencement of 1816.

It is quite clear, from this statement, that the value of the paper had been virtually restored, and that the Bank was in 1817 in a position looking only to the amount of its treasure relatively to its circulation, extended as this was, to resume cash payments. And the directors, so far from taking advantage of the prolonged term of the restriction, were adopt-

* The amount of bullion reached its maximum on the 11th of Oct. 1817, being then 11,914,000*l.*

ing measures for anticipating it; for in the months of April and September, 1817, they actually undertook by public notice to pay, and did pay, a large proportion of their notes in coin.* Instead therefore of their preparation for cash payments having been, as is stated, the cause of their contracting their issues, the only preparation which they did make in the interval between 1814 and the termination of 1817, was actually accompanied by an extension of the circulation; an extension however which would equally have been made according to their ordinary rules, if they had been paying in cash, seeing that the extension was only against a corresponding increase of their treasure, which had become very considerable.

But although, looking only to the actual position of the Bank, the amount of its issues in 1817 might appear to be justified, and was not greater than it would have been according to the ordinary rules or routine of the Bank, if it had then been paying in specie, the directors neglected, according to their system, to attend to the "signs of the times," to the indications as soon as they became manifest, of circumstances in progress which would inevitably create a drain on their treasure. The circumstances here alluded to were the negotiations then notoriously going forward for loans to a very large amount to France, and some of the other continental states. This was surely an occasion for vigilance and caution, more especially as the exchanges, early in 1817, manifested a decided tendency to fall, and the prices of gold and silver to rise. Of all other measures to have been avoided, under such circumstances, should have been that of contributing to reduce the rate of interest in this country, such reduction being calculated pe-

* It was computed that in pursuance of these notices the Bank had paid upwards of five millions of gold.

culiarly to favour those operations. And yet it was just at such a time that the government, by a very shortsighted policy, with the co-operation of the Bank, reduced the rate of interest on exchequer bills. This was the very reverse of the policy which both the government and the Bank ought to have adopted. The government ought to have taken the opportunity of the comparatively high price of stocks in the summer of 1817, to have diminished instead of increasing the unfunded debt; and the Bank, instead of extending its advances upon exchequer bills, at a reduced interest, ought, with a view to counteract the effect, which would otherwise be inevitable, of the tendency of British capital to investment in foreign loans, not only not to have extended its advances, but to have diminished its existing securities. By the earlier rise of the rate of interest which would have attended such measures, the disposition to investment in foreign loans would have been abated; the further decline of the exchanges might have been prevented; a good deal of the overtrading checked; the necessity for applying to parliament in February, 1819, for a prolongation of the restriction might have been avoided; and the question of the operation of Peel's bill would never have arisen. But the Bank directors of that time, in neglecting such precaution, and on the contrary in creating facilities for the foreign financial operations, and for the various speculations then in progress, were not more to blame than those of a subsequent and more enlightened period, who committed precisely the same error.

The material point however to be considered with reference to the immediate question is, that the value of the currency had been restored in the first six months of 1817, consistently with an enlargement of the Bank issues, as compared with any former period, thus proving that the previous depression of the exchanges, and the consequent

high price of gold, had been reasonably accounted for by the extraordinary amount of the foreign expenditure arising out of the war, without supposing any depreciation, except in as far as the paper had not adhered to the increased value of the gold.

We have now to see that a fresh set of disturbing causes operated in a depression of the exchanges, between the latter part of 1817 and the commencement of 1819, coincidently with a diminution of the circulation. Foremost among these causes doubtless were the large loans negotiated for the French and Russian governments, the high rate of interest granted by them, and the comparatively low rate in this country, holding out a great inducement for the transmission of British capital to the Continent. The importations of corn in the latter part of 1817, and through the whole of 1818, were on a large scale, and at high prices, our ports being then open without duty. And there was at the same time, as has before been noticed, a very great increase of our general imports; while a great part of the exports of 1817 and 1818 were speculative, and on long credits, the returns for which therefore would not be forthcoming till 1819 and 1820. Under these circumstances it is rather matter of surprise that the exchanges were not more depressed, than that they were so much depressed in 1818.

But the diminution of the circulation which accompanied the fall of the exchanges in 1818, was not, as has been so commonly imagined and so gratuitously asserted, the effect of design on the part of the Bank directors, with a view either to counteract the fall of the exchanges or to prepare for cash payments. Mr. Harman, in his evidence before the Lords' Committee on cash payments, in 1819, p. 217., in answer to the question, "Did the Bank, during any part of that period (1818),

on perceiving that these large demands were made upon them for exportation, deem it necessary to make any effort for counteracting that drain of their treasure previously accumulated, by any reduction of the issues of their paper?" replied, "No; we did not make any reduction, with a view of checking the export of gold and silver." The directors, as they repeatedly declared in and out of parliament, and as the facts fully show, continued to regulate their issues exactly as they had done throughout the period of the restriction.*

As the increase of Bank notes in 1817 had been simply against, but short of, the amount of bullion coming in, so the diminution of notes in 1818, was merely against, but not equal to, the amount of bullion going out. This will appear by the following comparative statement of the position of the Bank in February and August, 1818.

	Liabilities.		
	Circulation.	Deposits.	Total.
Feb. 28. 1818,	£27,770,970	7,997,550	35,768,520
Aug. 31. 1818,	26,202,150	7,927,730	34,129,880
	Assets.		
	Securities.	Bullion.	Total.
Feb. 28. 1818,	£30,905,330	10,055,460	40,960,790
Aug. 31. 1818,	32,370,760	6,363,160	38,733,920

It will be observed, that the securities had been increased by nearly 1,500,000*l.* in August, as compared with February, 1818. There was between August, 1818, and February, 1819, a repayment by

* Of the inefficacy of any regulation of their issues upon the exchanges, the directors recorded their conviction as late as 1819, when, in a resolution of the 25th of March, they state, "This Court cannot refrain from adverting to an opinion, strongly insisted on by some, that the Bank has only to reduce its issues to obtain a favourable turn in the exchanges, and a consequent influx of the precious metals. The Court conceives it to be its duty to declare that it is unable to discover any solid foundation for such a sentiment."

In 1827 a motion was made, and I believe carried, in the Court of Directors, to rescind the above resolution. See *Evidence of William Ward, Esq., Bank Charter Committee*, p. 143.

government to the Bank of about five millions * ; but the discounts were increased by a nearly similar amount; and the securities, public and private, were, in February, 1819, higher by 500,000*l*, than in February, 1818, while the bullion was less by nearly six millions; and the amount of the circulation was higher than it had been during any period of the war.

It should seem therefore that there is no ground for imputing any contraction of the issues of the Bank of England, or of the circulation generally, to preparations *before* 1819, for the resumption of cash payments. Whether there are any better grounds for ascribing any such effect to the legislative measures *in* 1819, will be considered in the examination which we are about to enter upon of the next epoch.

Section 9.—*Summary of the preceding Survey.*

The following are among the more prominent of the points resulting from a survey of the interval which has passed under review.

1. That in the spring of 1814, while colonial and other exportable produce and manufactures

* This repayment constitutes what Mr. Attwood, in the extract quoted from his speech (p. 44.), designated as the second experiment, with a view to cash payments. But as the diminution of the public securities held by the Bank was compensated by an increase of the private securities; and as it has been shown that it is the amount of the circulation, and not the mode in which it is issued, that affects the value of the currency, the mere change in the nature of the securities cannot be considered as having caused any contraction in the present instance. And it cannot be too often repeated, with reference to the importance attached by the currency theory to such repayments by government, that as a repayment of five millions out of sixteen millions in 1805 did not prevent a rise of 100 per cent. in the price of corn, so an increase of upwards of ten millions of advances in 1814 did not prevent a great fall of prices.

had risen extravagantly on the prospect of peace, the prices of corn and of European produce generally were falling.

2. That the Bank of England, instead of preparing, by a contraction of its issues in 1814, for the resumption of cash payments, as has been assumed and asserted, actually enlarged its circulation to an amount beyond any that it had attained in any former period.

3. That coincidently with the enlargement of the Bank circulation in 1814, the exchanges were rising, and the prices of gold and of commodities were falling.

4. That in 1815, upon the landing of Napoleon in France from the island of Elba, the exchanges fell, and the price of gold rose rapidly, without the possibility of assigning any part of those effects to any alteration in the amount of our currency; and that, immediately after the peace which followed the battle of Waterloo, the exchanges and the price of gold resumed their tendency to par, without any material contraction of the Bank circulation.

5. That the prices of corn, the fall of which had been partially arrested by reported deficiency of the crops in 1814, fell rapidly as a consequence of the favourable harvest of 1815, and reached their lowest price in the first quarter of 1816.

6. That in consequence of a fall of prices, from restored abundance, not only of corn, but of all other commodities, between 1813 and 1816, there had been such an accumulation of losses in nearly all the branches of industry, as entailed failures to an unprecedented extent.

7. That the country bank and general credit circulation were contracted in an extraordinary degree in 1816, as an inevitable effect of the heavy losses and numerous failures which had then occurred; and that the circulation of the Bank of England had undergone no such variation as could

be assigned in the nature of an aggravating cause of the failures and discredit.

8. That, while the greatest depression of almost all branches of industry, and the most general discredit, prevailed in 1816, a rise to the extent of 100 per cent. and upwards took place in the prices of provisions. Of this rise, one half, or about 50 per cent., occurred before July, the further rise having been the effect of the wet harvest of that year.

9. That the great rise of the prices of corn in 1816 and 1817, in this country, had been *preceded* and *exceeded* by a rise of prices from great scarcity and apprehended famine throughout Germany, France, and Italy; and that in the spring of 1817 a great demand suddenly took place in the markets of this country, by extensive purchases of corn and flour for immediate shipment to France, at prices exceeding 115*s*. the quarter for wheat, those purchases being mostly paid for by remittances in gold * hither.

10. That the highest prices of corn, and of all other commodities which were not under prohibitory restrictions in this country in 1817, were the bullion prices of Europe.

11. That before the end of June 1817, the apprehensions which had prevailed in France, and in this country, for the coming crops, having been dispelled by improved appearances, the prices of corn rapidly gave way in both countries, and by September following had fallen 40*s*. per quarter.

12. That the great advance in the price of provisions from the spring of 1816 to the summer of 1817, had not been preceded by any enlargement worth mentioning, of the circulation of the Bank

* By this is not meant that the shippers of the corn actually received remittances in gold, but that in point of fact the coincident shipments of gold from France to this country equalled or exceeded the amount of corn exported from hence to France.

of England. But a sudden increase of issue took place in July, 1817, after a rapid fall had begun in the prices of corn; *the further fall of prices, to the extent of* 40*s. per quarter, being coincident with a further increase of issues.* There is therefore no foundation for the commonly received opinion that the highest amount of the Bank circulation coincided with the highest prices of corn in 1817, and that a contraction of the circulation after 1817 was the originating and sole or main cause of the fall of the prices of provisions.

13. That a general and great falling off in the imports of the raw materials of our principal manufactures, and of foreign articles of consumption, in 1816 and 1817, followed by an extraordinary reduction of stocks, compared with the ordinary rate of consumption, caused a great advance of prices in 1817 and 1818, and, as usual in such cases, an exaggeration of demand, and a state of excitement and speculation, which went beyond the occasion, not only in a rise of prices on the spot, but in engagements for importations on a large scale, and at high prices. This state of excitement and speculation having been increased and extended by the effects of the extraordinary drought of 1818, which gave rise to apprehensions of a deficiency of the wheat crops, but more especially of a total failure of all spring corn and pulse in this country, led to very extensive engagements for importations of grain as well as of other descriptions of produce.

14. That during the greater part of 1817, the Bank of England, whether with reference to the state of the exchanges, the bullion in its coffers, or the state of general prices in Europe, was, in point of fact, in a condition to have resumed cash payments, and was considered so to be by the directors, who had announced the payment of particular descriptions of their notes. That therefore virtually, and to all practical intents and purposes, there had

been in 1817, till nearly the close of that year, a complete readjustment of the relative value between the paper and gold.

15. That at the close of 1817, in consequence of large loans negotiated for France and Russia in this country (the negotiation of which loans was much favoured by the unfortunate policy of our government, aided by the weak compliance of the Bank, in financial operations, which had the effect of temporarily depressing the rate of interest when it ought to have been raised), combined with the effect of the large importations of grain and other produce, which were then in progress, caused a depression of the exchanges, and a consequent efflux of bullion in 1818.

16. That the increase of the Bank circulation in 1817 was not quite commensurate with the influx of bullion into its coffers, and the contraction of its issues in 1818 was not quite equal to the reduction of its treasure. The variations therefore of the amount of the currency between 1816 and 1819, as depending on the Bank of England, were in the same direction, but not quite equal in degree, to those which would have been experienced with a purely metallic basis of the currency; for if the gold imported in 1817 had passed direct from the mint to the public, the quantity of money would have been as great, with a larger proportion only of coin, and the subsequent efflux of the coin in 1818 would have left the circulation of the Bank paper unaltered.

17. That at the close of 1818, importations of grain and other produce had arrived, and were arriving, on a scale of enormous magnitude, which had the natural effect of causing stagnation, the usual precursor of a fall of the markets, which had previously been raised by scarcity.

CHAPTER VII.

STATE OF PRICES AND OF THE CIRCULATION, FROM THE COMMENCEMENT OF 1819 TO THE CLOSE OF 1822.

HAVING now arrived at the time when the legislature were called upon to determine what should be the footing on which the currency should be permanently placed, it is peculiarly desirable to appreciate the exact state in which the question then presented itself for consideration.

SECTION 1.—*State of the Question at the Commencement of* 1819, *with a View to determine upon the future Footing of the Currency.*

It is of importance here to bear in mind the principal points which were recapitulated at the close of the last chapter, as resulting from the survey of prices, and of the circulation, from 1814 to the close 1818. Of these the most material to be kept in view are,—

1st. That there had been in 1817 a spontaneous readjustment of the value between paper and gold to a perfect equality, there having been a large influx of gold, accompanying an increase of the amount of Bank notes; and that the level of the currency had been disturbed at the close of 1817, and through 1818, by the large loans negotiated in this country for the French and Russian governments, which, combined with large importations, had the effect of depressing the exchanges to 33·8

on Hamburgh, and to 23·50 on Paris, and of raising the price of gold to 4*l.* 3*s.* The exchanges, it may here be observed, were not lower than they had, on several occasions, and for considerable intervals, been previously to the Bank restriction.

2. That the rise of prices in 1816 and 1817 had been indisputably the effect of scarcity of corn and of nearly all the leading articles of consumption; that the prices of those years, high as they were in this country, were the bullion prices of Europe; and that the effect of those high prices, and the usually exaggerated speculations connected with them, which continued through the greater part of 1818, was to bring forward importations of enormous magnitude.

The extent of the importations of 1818 could not be ascertained till after the close of that year; nor would their depressing effects be fully developed till 1819. It is, therefore, that the following statement of the comparative excess may be considered as more properly introduced at the commencement of a view of the epocha now coming under examination, than at the close of the last.

Imports into Great Britain.

Years.	Silk.	Wool.	Cotton.	Hemp.	Tallow.	Linseed.
	lb.	lb.	lb.	Tons.	Tons.	Qrs.
1816	1,137,922	8,117,864	93,920,055	18,473	20,858	70,892
1817	1,177,693	14,715,843	124,912,968	22,863	19,298	162,759
1818	2,101,618	26,405,486	177,282,158	33,020	27,149	237,141

And the extent of the increase of the supply of *all* imported commodities, will strikingly appear by the following comparative statement, from the Custom-house returns of *official* values.

Total of Colonial and Foreign productions imported into Great Britain, from all parts of the world (except Ireland) stated at the official rates of valuation, which implies quantity and not value.

1816.	£ 26,374,920		
Re-exported - - -	13,441,665		
Refined sugar exported	1,626,321		
		15,067,986	
			11,306,934
1817.	£ 29,916,320		
Re-exported - - -	10,269,271		
Refined sugar exported	1,942,573		
		12,211,844	
			17,704,476
1818.	£ 35,819,798		
Re-exported - - -	10,835,800		
Refined sugar exported	1,964,225		
		12,800,025	
			23,019,773

Here is a doubling of the whole quantities of imported colonial and foreign produce, after deducting the quantities exported. Now, can any one acquainted with the course of markets hesitate for a moment to pronounce what must be the effects of such an excess of supply? And what, indeed, can be more legitimate or simple than the inference, that if the scantiness of supply in 1816 and 1817 was a sufficient ground for a considerable advance, the restoration of abundance would fully account for the fall?

It is well known, however, that the resistance to a change, whether from a low to a high, or from a high to a low range of prices, is at first very considerable, and that there is generally a pause of greater or less duration before the turn becomes manifest; in the interval, while sales are difficult or impracticable, unless at a difference in price, which the buyer, in the one case, and the seller, in the other, are not yet prepared to submit to, the quotations are regulated by the last transactions, but are said to be, and are, in fact, nominal. A struggle of this kind prevailed more or

less, according as the articles were in greater or less abundance, through the autumn, and into the winter of 1818–19, when many articles which had become unsaleable from excess were still quoted at nearly as high prices as they had attained at any time in 1818.*

If in this state of comparative excess of supply, at the commencement of 1819, there had been no immediate question of the termination of the Bank restriction, and if the regulation of the issues of the Bank had proceeded (as, in fact, it did) on exactly the same footing as that on which it had been conducted during the war, and down to 1819, what ground is there for supposing that there would not have been a fall of prices exactly analogous to that which occurred from 1810 to 1812; or, again, from 1813 to 1815? According to what previous instance of the regulation of the Bank issues, coincidently with such comparative excess of the supply of commodities, can it be contended, that the fall of prices would or could have been averted? And yet a fall of prices, which was so clearly inevitable under the system pursued by the Bank under the restriction, is gravely imputed to the measures taken for the termination of the restriction.

Such, then, as has been here described, being the state of things in the commencement of 1819, what was the course incumbent upon the legislature to pursue? Would they have been justified, if, being acquainted (whether they were so or not is a distinct question) with the state and prospects of the markets as to supply and demand, and foreseeing the impend-

* It may be right to bear this remark in mind, because it has been customary for the opponents of Peel's bill to bring forward price currents of February, 1819 (being the time when the committees of enquiry into the state of the currency were appointed), for the purpose of contrasting the quotations of that date with those of the subsequent time.

ing fall under the system of the currency, as it had existed, they had attempted to intercept that fall, or to counteract the tendency to it? And if they had been so weakly or nefariously minded, how would they have set about averting the fall, which, without some forcible intervention was inevitable? Only one of two modes could be considered as by possibility likely to be effectual with that view, viz. either a forcible issue of a greatly increased amount of Bank notes, or a degradation of the standard.

But any attempt on the part of the Bank to extend its issues by investments in additional securities, beyond those which, by the rules and routine of their management, they would otherwise have taken, would not have insured the object of extended circulation. The increase of their public securities might, and probably would, be compensated by a diminished application for discounts. And in the absence of inducement, from the state of markets, to speculate in goods, if extra notes were issued, they would either have returned in the shape of deposits into the hands of the Bank, or have remained inert in the drawers of bankers. That this would have been the case in such a state of markets as existed in 1819, if the Bank had attempted forcibly to extend its circulation, there is every reason to believe. The grounds for that belief will appear more fully, when the state of the circulation comes to be distinctly examined, towards the close of the present chapter.

Assuming, then, that this mode of averting the fall of prices, in 1819, would have failed of its proposed effect, there remained only the alternative of a degradation of the standard. And granting that a course so flagrantly unjustifiable could have been resorted to, or for a moment entertained, as that of forcibly intervening, with a view to intercept the return of cheapness, as the consequence of the transition from scarcity

to abundance, and to bolster the markets by artificially keeping prices, in the face of an excessive supply, up to the rates to which they had been raised by casual dearth, and by the exaggeration of demand usually attendant upon deficiency of supply, the further question would occur, what is the standard by which such intervention should have been guided and determined? If the difference between gold and paper had been taken as it existed at the time, namely, 4*l.* 1*s.* the ounce, or between 3 and 4 per cent., the measure of debasement, however *palpably unjust*, would at least have been *intelligible;* and the difference being so trifling, and at the same time the change being referable to something like a principle, namely, the actual depreciation of the paper, by non-adherence to its standard, there would have been no perceptible disturbance of markets; but neither would it have been *tanti* for so gross an injustice, nor, above all, for a precedent so destructive of all security, as that of altering the denomination of the coin, because it had not suited the issuers of the paper so to regulate the amount as to make it adhere to the value of the coin in which it professed to be payable. But, quitting even that variable landmark (for while the subject was under discussion the value of gold was approximating to that of the paper), those legislators to whose wisdom it appeared, that prices raised by scarcity and speculation should be maintained by debasement of the standard, seemed to be quite at fault, and to differ most widely from each other, as to the measure of debasement which, in their peculiar views, it would be just and expedient to adopt. This difficulty is well illustrated by the following quotation from the speech of Mr. Denison, in the debate in the House of Commons, on the Scottish Bank Note bill, in the session of 1828: —

"What would have been the proper course to take in 1819?

To have altered the standard. Such a measure would have prevented the ruin of the farmer, the tradesman, and the artisan; or, at least, it would have diminished the pressure upon them. The cause of all the evils which we had endured, and which we are still enduring, was the fatal policy of contracting a large debt in one description of currency, and trying to pay it in another. I may be asked, why, if I felt this so strongly, if I was convinced of this expediency of altering the standard, I did not myself bring forward such a proposition? The truth is, that the question was one of such difficulty, that I may well be pardoned for having shrunk from it. But it is well known to many Hon. Members, that my Hon. friend, the late Member for Coventry, and myself, did, in 1819, bestow great attention on the subject, with a reference to bringing it under the consideration of the House; but that we found it a matter of such difficulty that we shrunk from it. I will also candidly admit, that we could not exactly agree, as to what ought to be the amount of the standard. I was of opinion that it ought to be 4*l.* 10*s.*, or 4*l.* 15*s.*, while my Hon. friend, concurring with a noble Lord in the other House, thought that it ought to be 5*l.* 5*s.* or 5*l.* 10*s.* The current appeared to run so strong, however, against either proposition, that it was abandoned." — See *Mirror of Parliament*, part xvii. pp. 1775-6.

Well indeed might they shrink from the task, and finally abandon it, seeing that they differed so widely as that while one of the parties was of opinion that the standard should be degraded to the extent of 20 per cent., another would have gone as far as 40 per cent. That opinions so wild, so extravagant in their practical application, should have been entertained by persons otherwise well informed, and most undoubtedly well intentioned as these were, would be hardly credible, but that we now find opinions to the same effect, and some going still greater lengths, promulgated by considerable authorities.* That such opinions could be

* Lord Folkestone, in the House of Commons, in a debate on the Bullion Question, 25th of May, 1819, is reported to have said: — "It appeared to him most desirable, that in place of reverting to the ancient standard of value, the present rate of depreciation should be taken, and the standard fixed, in place of 3*l.* 17*s.* 10½*d.*, at 4*l.* 0*s.* 6*d.*" His lordship (now Earl of Radnor) has since stated his altered opinion in his evidence

entertained at all by persons not having *sinister* intentions can only be accounted for by the very

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before the Agricultural Committee of the House of Commons, in 1836, page 415.

"Upon the whole, what should you say, after all the experience we have had, was the full effect of the Bill of 1819 upon prices generally, and what was the fall that it occasioned?"

"I cannot estimate, but I apprehend very considerable indeed; and, from rough guess, I should say, cent. per cent. or nearly so."

"Do you think that the prices have fallen half in consequence?

"I should say very nearly so."

"What measure do you think would have been just and equitable in 1819, in the place of the Bill which really did pass?"

"I really think that it would have been just to have altered the standard to an extent equal to the depreciation that had been prevailing before the passing of the Bill; but, as that depreciation was not uniform in consequence of the various amounts of issues of paper at different times, it would have been necessary to have had some measure to meet the cases of contracts formed at different times, as I apprehend."

Lord Ashburton, in his evidence before the same Committee, page 478., delivered the following opinion:—

"If the feeling of Parliament and the country had gone with it, I should have thought that much might have been said in favour of a depreciation, by bringing the pound to 15*s*., if the mind of the country had been so disposed; but the strong opinion, and the moral feeling, being both the other way, I thought there was much to be said for coming back to the standard. It was to my mind a very doubtful question; essentially it rested on a consideration of degree. If, as was the case in Russia, the depreciation had gone to the extent of four to one, it would clearly be the grossest injustice, under those circumstances, to return to the original standard. A question on that subject was proposed by the government of Russia some years ago, to persons in whose opinions they had confidence, and the opinion was unanimous, that it would be a greater injustice to endeavour to return to the old standard, than to sanction the depreciation by law."

And further, "I believe that the rouble, which was about four to one, is now three and three quarters to one, and that the government of Russia have watched the variations of value, and endeavoured to keep it nearly where it was."

On these opinions of Lord Ashburton I have to offer the following remarks:—The case of the paper money of Russia,

confined view taken of the interests which would be affected by the degradation proposed of the

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and its depreciation, bears no analogy, in its origin or progress, to that of this country; nor, if it did, would the conclusionwhich might be warranted in the one case be applicable in the other.

The first issue of paper money in Russia, was at the close of 1768, when bank notes, or assignats, to the amount of 40,000,000 of roubles, were put into circulation in direct payments by the government, on the commencement of a war with Turkey. The manifesto accompanying the issue of the paper, left it in doubt whether the payment to bearer (a promise of which the notes bore on the face of them), was to be in copper, or in silver; and, according to Storch, opinions on that point were still divided when he wrote in 1815. From 1769 till 1787, the amount in circulation remained uniform at about 40,000,000, and the *agio* in favour of silver varied only from one to three per cent. in that interval, while there was an *agio* of from one to five per cent. in favour of the paper against copper. The exchange on London during that interval varied between 40*d.* and 48*d.* for the paper rouble. In 1787, a sudden addition was made of 60,000,000, accompanied with a promise that no further quantity should be issued; but a succession of wars with Turkey, Sweden, Poland, and Persia, and finally with France, caused the transgression of that promise, and further progressive issues were made till 1810, when they amounted in the whole to 577,000,000. An increasing *agio* on silver was the consequence, till it reached 400; that is, that a silver rouble (of the intrinsic value of 39*d.* sterling) exchanged for four roubles in paper. During the progress of this depreciation of the paper, the Custom House duties, which were fixed at certain rates in silver money, were collected in paper, at an *agio* settled periodically upon a reference to the market rates. It is now many years ago that the paper rouble was received in payment of Customs by an order of government in the proportion of four to one, the exchange on London being then between 9*d.* and 10*d.* for the paper rouble; and the paper was so received in all cases in which the rates had been calculated in silver. This was to all intents and purposes a degradation of the standard, although from motives of policy the government did not think it expedient to alter the denomination of the silver rouble; and when this *avowed* depreciation had taken place, there can have been no ground for hesitation among the persons who are said to have been consulted upon the question of restoring the paper to the former value of the silver rouble. The raising of the value 300 per cent. would, independently of the inexpediency of the measure, have involved the commission of a double injustice. But it is not a little curious, that, after the regulation of the proportion

standard. They seem to have imagined that it would only be mulcting to that extent all creditors,

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of four to one had subsisted for some time, the foreign exchanges having improved, that on London ranging at between 10*d.* and 11*d.*, instead of between 9*d.* and 10*d.*, the government, upon the promulgation of a new tariff, raised the standard from 4 roub. to 3 roub. 60 copeaks, or exactly 10 per cent., in favour of the paper rouble. Whether, however, in adjusting the standard at four to one, or in afterwards raising it to 3.60 to one, the Russian government seems to have taken, as the guide and measure of the adjustment of the standard, the actual relative value of the paper to the silver, as indicated, whether by the *agio*, or by the foreign exchange, and was not influenced by a fanciful or arbitrary theory of depreciation beyond the indication of the ordinary tests. There was enough of weakness, and impolicy, and injustice in having suffered, or rather caused, the depreciation to take place to the extent that it did; an extent which precluded the possibilty of return. But what would or might have been said, and justly said, if, when the *agio* and the state of the exchanges indicated a relative difference of four to one, the government had thought proper, not from any motive of gain to the public treasure, but from some fancied theory of adjustment, to have fixed the standard at five to one, thus at once gratuitously disturbing all pending engagements to the extent of twenty-five per cent.? And yet this is what some of our legislators have proposed; for in what respect, either as to the justice or policy of such a measure, would the suggestion contemplated by Lord Ashburton, of reducing the standard in this country to fifteen shillings for the pound, or twenty-five per cent. in 1819 (when, whether by the exchanges or the price of gold, the utmost indication of the depreciation of Bank notes did not exceed four to five per cent.), have differed from an arbitrary alteration of the standard in Russia, to the proportion of five to one, when the *agio* and the exchanges indicated a proportion of four to one? If the example of the Russian paper is to be held forth as a model, it should be consistently followed out by not degrading the standard beyond the depreciation indicated by the usual tests, and by raising it when the exchanges took a favourable turn. In every point of view, however, the imputed analogy of the Russian bank notes to the Bank of England notes fails: the mode and channels of issue differ widely in principle and regulation; the one was indisputably depreciated by increased quantity, independently of any extraneous pressure on the exchanges; the other was in quantity not more than would have been consistent with the maintenance of its metallic value,

whether of the state or of individuals, in favour of the debtors, while the good to be attained would be that of "preventing the ruin of the farmer, the tradesman, and the artisan, or at least of diminishing the pressure upon them." That it would have had the effect of preventing or diminishing the losses of the farmer, who was under a lease calculated upon the prices of scarcity, and of the tradesman who had, unfortunately for himself, laid in his stock when markets had been driven up by scarcity and speculation, may be readily admitted, although why they should be so preserved from the consequences of their own acts, simply because the result would otherwise be unfavourable, does not very clearly appear. But that the artisan should be supposed to be among those who were to be benefited by such an alteration of the standard, is not the least surprising part of that extraordinary theory. For if there is any class that has benefited more than another by the return of abundance and cheapness, which have more or less prevailed since 1819, it is that of the artisan. There is no fact which admits of being more fully proved, if the notoriety of it were not such as to render detailed proofs superfluous, than that the wages of artisan labour are in most cases as high as they were before 1819, in some instances higher, and in none so much lower as the difference in the prices of provisions and other necessaries. But a much more important consideration, inasmuch as it is one that affects the great bulk of the community, is, that wages, not of artisans only, but of labour generally,

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had it not been for the enormous extent of foreign payments; and whereas no definite time was assigned for the payment of the former, a solemn assurance was repeatedly held out by the government of this country, in repeated instances of specific contracts, that the suspension of cash payments was a temporary state, which would, at any rate, terminate as soon as might be after the return of peace.

have not fallen in proportion to the reduced prices of necessaries.*

Now, the effect of a debasement of the standard, if it had been determined on in 1819, would have prevented, and at any rate would have retarded, the enjoyment of the benefit of comparative abundance by the working classes, until, upon the recurrence of periods of long-continued dearth, the workmen should succeed, after much suffering and severe struggles, in obtaining an advance in some, although an inadequate, proportion to the advanced prices of necessaries.

According to all experience, whether within modern observation, or recorded by history, it may be laid down as an established maxim, that labour is the last of the objects of exchange to rise in consequence of dearth or depreciation, and that conversely the price of labour is last to fall in consequence of increased abundance of commodities, or of increased value of money†; and not only

* Even in the case of the agricultural labourers, whose wages have fallen in a greater proportion than those of other classes, the hand-loom weavers, perhaps, only excepted, there is concurrent testimony of the most unexceptionable description, in the reports of the parliamentary committees on agricultural distress in 1833, and again in 1836, that the condition of the agricultural labourer has been greatly improved, compared with the period of high prices. The evidence to that effect is the more decisive, because, from the bias of the examiners and the occupations of the witnesses, the tendency might be supposed to be the reverse of representing the improvement in an exaggerated point of view.

† The distinguished author of a publication, entitled "A Letter to the Right Honourable Robert Peel, by one of his Constituents, 1819," after quoting the following passage from the Quarterly Review, vol. xv. p. 192.,—

"The great and rapid increase of national wealth has always been attended by a corresponding pressure of distress upon the peasantry. It was thus in Portugal, when Joam III. succeeded his father Emanuel, the most fortunate prince that ever sat upon an European throne: he was master of Ormuz, of Goa, and of Malacca in the East, thus commanding the whole trade of the Indian seas; the gold mines of Africa sent in rich returns

all the working classes, strictly so called, but those classes immediately above them, not being owners or occupiers of land, and other fixed property, or debtors, would have been sufferers by a degradation of the standard. It is in evidence in the agricultural reports that retail prices had not fallen in

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to him, and the greater part of Morocco paid him tribute. To these treasures Joam III. succeeded; and never was there a period of greater national distress, arising from poverty, than at the commencement of his reign. It was thus in Spain, when ships came laden with silver and gold from Mexico and Peru. The fact was distinctly seen, and the cause distinctly stated by a contemporary writer.* The influx of specie produced a diminution in the value of money, and habits of lavish expenditure in the rich; rents were raised, all the necessaries of life advanced in price; the burden fell upon the poor, and of the wealth poured into the country in full streams, all that reached them was in the shape of more abundant alms, which made them more dependent than they were before, without preventing them from being more miserable,"—proceeds to observe:—

"A diligent enquiry into the state of society in the reign of Elizabeth, which, in the depreciation of money, corresponds remarkably with the present reign, would corroberate this position, by showing how ill the wages of labour kept pace with the increasing prices of provisions. It is, I believe, allowed by all who have made minute researches into those times, that at no period of our history, till the present, was the condition of the labourer so bad. Hence sprung the great, and almost sudden, growth of the poor-law system, sometimes absurdly ascribed to the suppression of monasteries. A violent disturbance of the established relations, as measured by the common standard of money, had taken place; and the lower classes, being the last to obtain redress, sunk into that state of abject dependence, from which they slowly emerged, through the natural corrective of a diminished population, aided by the general improvement of the next century, and the greater steadiness of our currency; but into which they are now plunged by the operation of a similar cause." p. 33.

I need here hardly add, that agreeing, as I do, in the observation of the deterioration of the condition of the working classes, by a rise in the price of necessaries, I differ from the author in his opinion of the cause of the rise in the more recent instances.

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* The Inca Garcilasso, vol. ii. book i. c. 7.

proportion to those in wholesale trade. This is said particularly of the blacksmiths, the wheelwrights, the collarmakers, &c. What then is the inference, but that they were benefited by the fall in the prices of provisions and of raw materials?

That the great mass of the community was greatly benefited by the transition from dearth to abundance, there is not, there cannot be, any reasonable doubt. Indeed, to call it in question, and to suppose that war and dearth can be blessings, and peace and plenty curses, never entered into any imaginations but those which have bewildered themselves in the mazes of the currency theory, which supposes high prices and general prosperity to be convertible terms. What but the privations and sufferings of the great bulk of the community led to the popular discontents and commotions which prevailed, and were with difficulty repressed, in the great dearths at the close of the last and the beginning of the present century, and again in 1812, in 1817, and 1819?* dearths which, after their

* Mr. Huskisson, in the following extract from his speech on Mr. Western's motion, on the resumption of cash payments, June 11. 1822, after very happily exposing the inconceivable absurdity of considering that the fall in the price of corn added to the weight of taxation, describes in eloquent terms the sufferings of the bulk of the people, in the periods of high prices (which the advocates of agricultural claims, and of the currency theory, characterise as periods of general prosperity), when contrasted with the ease and comfort and contented state of the population in the periods of low prices and agricultural distress.

"There is one theory, however, which I cannot help adverting to, because it is a point to which the honourable member seemed to attach much importance, and to illustrate by many calculations. That point, if I understand the honourable member, is this, that we ought to measure the pressure of taxation by the price of corn. In 1813, says the honourable member, the price of wheat being 108*s.* 9*d.*, and the taxes 74,647,798*l.*,—13,733,296 quarters of wheat were sufficient for the payment thereof; in the present year, the price of wheat being 45*s.*, very nearly double that amount of quarters are necessary to

natural cessation, these legislators would, as far as in them lay, have artificially perpetuated *; while, on the other hand, the contented state of the working classes in 1821 and 1822, and not to mention the great increase of the revenue in those years, attest the comparative well-being of the bulk of the community in periods of what those who are interested in high prices and high rents are pleased to characterise as agricultural distress.

But independently of the grounds here stated for reprobating the policy which would have sought in 1819 to perpetuate the effects of dearth, the advocates of a debasement seem not to have been aware of the extraordinary disturbance which such a mea-

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pay the taxes thereof." I wonder, when he was making these comparisons, that he did not extend them to a few other years. If he had, he would have found in 1812, for instance, that, the taxes being 70,435,679*l.*, and wheat at the moderate price of 125*s.* 5*d.*, 11,224,809 quarters of wheat were sufficient for the payment. In 1815, that the taxes being 79,948,670*l.*, and the price of wheat only 64*s.* 4*d.*, 24,854,508 quarters were requisite for the payment thereof. But then, 1817 was again a prosperous year; for the taxes being reduced to 55,836,259*l.*, and wheat having risen to 94*s.* 9*d.*, 11,786,017 were sufficient for the payment thereof. Now, according to this statement, the years 1812 and 1817 must have been those of the lightest pressure, and 1815 and 1821 those in which that pressure was most severe. If distress, bordering on famine,—if misery, bursting forth in insurrection, and all the other symptoms of wretchedness, discontent, and difficulty, are to be taken as symptoms of pressure upon the people, then I should say, that 1812 and 1817 were two years of which no good man can ever wish to witness the like again. But, if all the usual consequences of general ease, in the great masses of our condensed population, and all the habitual concomitants of contented industry are indications of a better state of things, then, I should say, that 1815 and 1821, periods of the severest pressure of taxation, according to this new measure of its pressure, are among those years in which, judging from their conduct, the labouring parts of the community have had least reason to complain of their situation."

* An object which, to some extent, the sinister interests of the landowners in parliament, have succeeded in accomplishing by the corn laws.

sure would have created in all the multifarious transactions of markets, not only by contracts for time, but in the most ordinary purchases and sales. In the case of nearly all articles of merchandise, there is a customary prompt, or interval between the making of the bargain and the completion of the delivery and payment. This interval varies from one week to three months, which is independent of credit commencing from the delivery. Now, in all such cases, the seller would, supposing the alteration of the standard to be declared pending the prompt, receive less in intrinsic value by 20 or 40 per cent. than he considered himself as having bargained for. All claims upon or by persons abroad would be affected to the extent of the whole difference of the standard, as the foreign exchanges would immediately adjust themselves to that alteration. In short, the proposed settling or adjusting of contracts, by an alteration of the standard, would have been the unsettling and violent disturbance, not only of all fixed monied incomes, and of debts and credits, but of all the innumerable transactions that might have been pending at the time when the alteration was announced. And as to an equitable adjustment under such circumstances, it is hardly conceivable how any person of sane mind could entertain the idea for a moment, without perceiving the monstrous injustice, and the enormous incongruities, which would attend such an attempt.*

* But there would have been, moreover, if the standard had been altered, some curious and perplexing anomalies, arising in such a case from our protective system. Thus, supposing that agricultural produce had, in the first instance, advanced in price to the full extent of the alteration, and supposing this to have been 40 or only 20 per cent., the price of wheat, which in 1819 was 72*s.*, would, on this supposition, have reached upwards of 80*s.*, which would have opened the ports; and as prices abroad had fallen much more than they had done here, we should have imported and admitted for consumption a very large foreign

Never indeed was there a measure dictated by a sounder policy than that by which parliament determined in 1819 that the trifling divergence which then existed between the paper and the gold should, as speedily as was conveniently practicable, be remedied, and the convertibility restored with the strongest sanction against its being again suspended. So loudly was that measure called for by every consideration of justice and good faith, and of the most comprehensive view of the public interest, that if, for the purpose of carrying it into effect, some actual derangement of prices and of credit had been distinctly contemplated, the effort would have been amply justified by the object. But there is not the vestige of a ground for supposing, that the smallest part of the fall of prices, or of the derangement of credit, in 1819, or from 1819 to 1822, can, according to any evidence of facts, or any consistent reasoning, be traced to the operation, direct or indirect, of that measure. The sufficiency of the causes, without reference to Peel's bill, of the fall of prices between 1818 and 1822, can hardly, it is presumed, admit of a doubt in the mind of any person who, unbiassed by a preconceived theory, will examine carefully the facts as they will appear in evidence in connection with the fall of prices.

As the fall of the prices of commodities was more immediate and rapid, and more directly productive of the derangement of credit in 1819, than the fall of the prices of provisions, the former will here more properly, in the present instance, come first under consideration.

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supply, which, as our own produce was becoming abundant, might eventually have reduced prices below the rate at which they actually ranged; and so perhaps still more strikingly in the case of some other articles, subject to a duty not *ad valorum*.

Section 2. — *Markets for Commodities from* 1819 *to* 1822.

The largest in point of amount of the articles of which there was so great an excess of the importation, was cotton; and it was in this article that the fall in price was the greatest, and the failures among those concerned in it, consequently, the most extensive. The error usual on such occasions had been committed; the stocks on the spot had been, as we have seen, greatly reduced in 1816, and a rise of price of this reduced stock was perfectly justified; but then, as in more recent instances, the advanced price was not confined to the small stocks on the spot, but was paid for large quantities in the countries of growth, to be shipped hither. Could it be imagined that the importation at the close of 1818, being within a trifle of double of what it had been in 1816,—

1816,	-	-	93,920,055 lbs.
1818,	-	-	177,282,158 lbs.

could be sold at near the prices to which the scarcity had raised it? Or what more natural, according to the ordinary rules which govern markets, than that the price (of bowed Georgia) should have fallen from 1*s.* 10*d.*, which it had reached between 1816 and 1818, to 1*s.* in 1819? The result of overtrading on so large a scale, was experienced in numerous and extensive failures, which began in the latter part of 1818, and continued more or less through the earlier part of 1819. Importers, speculators, and manufacturers were successively ruined by having embarked too largely upon the anticipation of the maintenance of the former range of high prices. There were also very extensive failures in New York, but more especially in Charlestown, and other southern ports of the United States,

at the close of 1818, and at the commencement of 1819.

Of silks, the importation of 1818 was also within a trifle of *double* of what it had been in the two preceding years. Of foreign wool, the excess was still more remarkable; thus —

1816,	-	-	8,117,864 lbs.
1818,	-	-	26,405,486 lbs.

And, as has been seen by the comparative statement of the official value of imports, there was an excess of them not only beyond that of the two immediately preceding years, but beyond *any* single year, or any average number of years preceding.

It was the early part chiefly of 1819 that was marked by a considerable degree of commercial discredit and distress, originating clearly in great previous overtrading, and in the natural and necessary consequence of the transition from casual scarcity, and speculation on prospective scarcity, to excess of supply, and the dull and drooping markets incidental to excess of supply: an excess not relatively, as has, by the advocates of the theory of war-demand, and by the opponents of Peel's bill, been referred to a diminished consumption, but relatively to an increased and increasing consumption.* Before the autumn of 1819, however, every vestige of discredit had disappeared; and it was not, as the consequence of either discredit or distress, that prices of most commodities continued to

* It may be observed in further proof of the absence of so general a cause as that of mere difference in the quantity of money, as a cause of the fall, that among the few articles of which there was not an excessive supply, the prices in 1819 were higher than they had been in 1817. This was the case with lead and English iron. The fall of the prices of these articles *subsequent* to 1819, admits of being accounted for on distinct grounds.

decline, with few exceptions, to the close of 1822.* The sources of supply of all the raw materials of our principal manufactures, were experiencing a progressive extension, at a diminished cost of production; and, although there had been in the two or three years immediately following 1818, a slight falling off in the amount of imports of some of the articles, from the great excess of that particular year, there was a progressive increase on the average of three years, compared with the average of any preceding three years. This was shown in some statements brought forward by the late Lord Liverpool in the House of Lords, with a view to prove that, although the consumption was greatly increased, the supplies had outrun it.

Is it necessary then to call in the aid of Peel's bill to account for the fall of markets so circumstanced? and in what possible sense of the words could it be deemed just or expedient on the part of the legislature to seek to avert the otherwise inevitable fall of prices by a degradation of the standard?

But if the evidence of an excess beyond the ordinary average rate of supply is quite conclusive in the case of commodities, little if at all less conclusive will it be found to be in the case of agricultural produce.

Section 3. — *Prices of Agricultural Produce from* 1819 *to* 1822.

In the markets for agricultural produce there was, at the commencement of 1819, a tendency to

* At the close of 1822, the movements of the French armies on the frontiers of Spain, and the measures of the French go-government with reference to Spain, which were thought to endanger the peace of Europe, gave occasion to a speculative rise in the prices of colonial produce. But upon its being found that a general war, which had been apprehended, did not ensue, the markets relapsed to their former state.

dulness and decline of prices. The importations of corn had evidently been large beyond the occasion; the winter had been mild, and the spring was very forward, appearances of the corn promising, and the pastures luxuriant. Under these circumstances, it is hardly to be wondered at, that in the spring of 1819, the markets should be dull and drooping. Indeed, the wonder, if any, should rather be, that the fall was not more rapid and decided; and that it was not more decided and rapid is one among other proofs how utterly devoid of influence on opinion, as affecting the corn markets, was the agitation of the question respecting the return to cash payments. Nothing can show how little was either the direct or the moral influence — that is, the influence on opinion — of Peel's bill in the corn trade, than that the average price of wheat, after an intermediate depression, rose in August, 1819, to 75*s.*, the average price for the whole year 1819 being 72*s.* And that, in August, 1820, the price, after some fluctuation, arising from varying appearances of the weather, should have been still so high as 72*s.*

There is some difficulty indeed in accounting for the prices in this country having been kept so high till the harvest of 1820, ranging between 65*s.* and 72*s.*, seeing that the importation of 1818 had proved beyond the occasion, and that the harvest of 1819, although in the southern division of the island there were complaints of injury from previous weather, was in the result considered to have yielded a full average produce. And, at any rate, the produce of it, with whatever may have been the stock on hand, proved to be more than sufficient for the consumption without any fresh foreign supply. The explanation of the maintenance of so high a price, under such circumstances, seems to be this:—There was still a lingering of opinion among farmers, and persons generally in the corn trade,

that upon the shutting of the ports, although the prices might decline somewhat below the import rate, they could not fall very much, nor continue for any considerable length of time much lower. And the grounds for this opinion seem to have been, that it was, in the first place, taken for granted, that in ordinary seasons we did not grow enough for our own consumption; and, in the next place, there was a strong impression, founded upon the experience of the preceding thirty years, that no long interval was likely to elapse without the occurrence of a season of decided deficiency. There was, on the whole therefore, under the influence of these opinions, a considerable degree of buoyancy in the corn markets upon every occasion of adverse weather, or of unfavourable appearances of the coming crops.

The winter of 1819–20 was rather a rigorous one. The frosts set in with some severity in December, and continued, with intermissions, till the latter part of February, when the winter terminated with a heavy fall of snow. The spring was variable, but mostly cold, and vegetation backward, till about the 18th June, when a sudden change to a high temperature and brilliant clearness succeeded, and lasted for several days during the critical period of the blooming process of the wheats. Apprehensions had previously been entertained of injury to the crops, and the average price, which in January had fallen to 64*s*., advanced in April and May to 70*s*. After an intermediate depression, upon the favourable change in June, the weather having become unsettled, and attended with heavy showers in July, the markets rallied a little till the harvest, when the average price of wheat rose to 72*s*. But the weather became brilliantly fine at the commencement of August, and thenceforward continued to be most propitious for the ripening and gathering of the

whole of the crops. And the result of the harvest of 1820, proved to be decisive of a great impending fall of prices. The crops of nearly all kinds turned out beyond expectation, both in bulk and in yield. It was a harvest of undoubted and general abundance.

Mr. Wakefield, an eminent land surveyor, in his evidence before the Agricultural Committee, in 1821, says, "The last harvest has been one of the finest ever known in England;" and he afterwards adds, "I think there is a wonderful quantity of corn in the country. I now (April, 1821) think that there is as much corn left in the country as generally in common years there is after harvest."

Mr. David Hodgson, in his evidence before the same Committee, stated the result of the systematic examination by his firm of the crop of 1820, to be denoted by the figure 38, the average being 32. But Mr. Hodgson has subsequently stated, that an error had been discovered in the process, by which that result had been obtained, and that the correction of the error gave a result *not under* 40. According to this estimate, the produce was *at least* one fourth above an average per acre: and it is highly probable, at the same time, from the great encouragement of the recent high prices, that the number of acres under cultivation must have been considerably extended.

Mr. Jacob * computes the excess of the crop of 1820, beyond an average to have been in the ratio of 320 to 240, or one third, which, if intended to include extended cultivation, may be near the truth.†

It was not till the following two or three years, during which wheat of the harvest of 1820 con-

* Second Report, April 1828, page 35.

† The annual production of wheat at that time has been commonly estimated at about twelve millions of quarters. A crop then exceeding an ordinary or average produce by one third, would constitute an excess of not less than four millions of quarters.

tinued to appear in the markets, that the exuberant produce of that season became generally known. Instead, therefore, of seeking in the state of the currency, for the cause of the fall of price, immediately after that harvest, it is a matter of more difficulty to explain how or why the real and sufficient cause, namely, the great excess of quantity, did not sooner and more powerfully operate. If the holders generally had then been aware, that in addition to a stock at the commencement of harvest, equal to what had usually been held, there was an excess of three to four millions of quarters in the produce of that single crop, the fall must inevitably have been much more rapid. As it was, the average price fell from 72*s.* 5*d.* in August 1820, progressively till July 1821, when it got down to 51*s.*

The winter of 1820-1 was mild, and attended with little or no snow, and the spring was rather forward than otherwise, the month of April having been warm for the season. But May and June were remarkably cold. July was showery and cold, and during the harvest, which was late, there were heavy rains till its conclusion, which was greatly protracted by the prevalence of wet weather. There was in consequence a speculative rise in price from 51*s.* in July, to 62*s.* in September; but, although the condition of the wheat suffered greatly, the bulk was large, and the produce considerable. Accordingly, when it was found that there was no deficiency in the produce of that harvest, and that there were still large quantities of old corn coming forward, the price fell below 50*s.* by the end of 1821, and to 42*s.* by the August following. The quality of all the wheat of 1821 was very inferior; and this inferiority of quality is to be taken into consideration in the comparative view of the low averages in the following year.*

* Evidence of Joseph Sandars, Esq. before the Lords' Committee on Agriculture in 1836. Question, "To what do you attri-

The season of 1822 was throughout remarkably fine; — a mild winter, a genial spring, and a hot summer. The spring crops suffered from drought, but the wheats were universally good in quality, and proved to be of full average produce; and as they were secured early, and in condition for immediate use, the markets were very largely supplied with new corn, while there was still a great bulk of old of inferior quality pressing for sale.

And while there was thus a great pressure on the markets of the supplies of the growth of Britain, the imports from Ireland had acquired an extension beyond all expectation: thus in 1820 and 1821, the importation of wheat alone amounted to nearly one million of quarters, whereas in 1817 there had been a *balance of export to Ireland*, and in 1818 the balance of imports was only 100,638 quarters.*

Most assuredly then a fall of prices to the extent to which it took place down to the close of 1822, viz. to an average price of 38*s.* for wheat, might reasonably enough be expected by any one conversant with markets, and more especially with the corn markets, as the effect of continued excess of supply; without having recourse to the supposition that there was any diminution of the quantity of money; or, in other words, that the gold was dear

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bute the fall of corn in 1822?" Answer, "To the very extraordinary crop in the year 1820, and to the very singular crop in the year 1821: 1821 was a crop on the largest scale: I hardly ever knew a larger crop, but it was very much damaged in quality by rain; the quality was injured, and the value was lowered in the market."

* The imports from Ireland in 1819, 1820, and 1821 were as follows: —

	Wheat and Flour.	Grain and Meal of all sorts.
	qrs.	qrs.
1819 - -	151,864 -	- 967,861
1820 - -	404,747 -	- 1,417,120
1821 - -	566,004 -	- 1,822,816

and not that the corn was cheap, that the gold was scarce, and not the corn in plenty.* In truth, the depression of the average price of wheat at the close of 1822, is fully accounted for —

First, by the produce of that harvest coming early to market, and being ascertained to be above an average in point of quantity, so that there was no relief nor any immediate prospect of it, from the pressure of the large surplus which was then ascertained to be on hand from former years.

Secondly, by the circumstance of the quality of the wheat of 1820, having been only middling, and that of 1821 very inferior, which made the holders of the old stock press sales at the greatest sacrifices. The average prices therefore of the last four months of 1822 are to be taken with a large allowance, not less perhaps than 5*s.* the quarter, for mere inferiority of quality.

So far then there can hardly, it is presumed, remain a doubt on the mind of any one who has followed the description here given, of the productiveness of the seasons, and of the transition from extreme scarcity to superabundance, that the fall of the prices of agricultural produce from 1818 to the close of 1822, is fully accounted for, without supposing that a diminution of the quantity of

* The extremely low price of cattle in 1822 attracted so much attention, that I insert a statement of the numbers sold at Smithfield for the four years ending 1822.

	Neat Cattle.	Sheep and Lambs.
1819 -	- 135,226	- - 949,900
1820 -	- 132,933	- - 947,990
1821 -	- 142,133	- - 1,107,230
1822 -	- 142,043	- - 1,340,160

The comparative increase was equally great at Liverpool and Hull; and the supplies at the other markets in England were no less superabundant. How, then, can there be any difficulty in accounting for the very low prices of meat at that time?

money must have been, or was, the originating or accessary cause.*

SECTION 4. — *State of Prices on the Continent of Europe.*

If the facts in proof of the transition from scarcity to abundance of productions both of home growth and imported, be held to be insufficient to account for the fall of prices, without calling in the aid of the hypothesis of a diminished quantity of money under the operation of Peel's bill, it must be on the ground of something local, or peculiar to this country, and not common to us with other coun-

* The fall of the prices of provisions in 1821 and 1822 had the usual effect of calling forth complaints of agricultural distress, in consequence of which a Committee of the House of Commons was appointed in 1821; and again in 1822, to inquire into the causes and the means of remedy of the distress. A very able report from the former led to no practical conclusion. But the result of the report of the latter was an act passed in the session of 1822, which materially altered the law of 1815. The law of 1822 bore, upon the face of it, the false pretence of a relaxation of the then existing law, inasmuch as the limit of total prohibition was reduced from 80*s.* to 70*s.* per quarter for wheat, and in that proportion for other grain. But a duty of 12*s.* attached, if the price was under 80*s.*, and a further duty of 5*s.* for the first three months, making 17*s.* duty on wheat, during the first three months after the price should have ranged between 70*s.* and 80*s.* And at a price above 80*s.*, and under 85*s.*, the duty was to be 5*s.*, and an additional 5*s.* for the first three months, making a duty of 10*s.* on wheat, during the first three months after the price should have ranged between 80*s.* and 85*s.* At or above 85*s.* the duty to be 1*s.* But the act was not to come into operation until the ports should be open under the law of 1815, by the average price of wheat reaching 80*s.*; and as that contingency did not arrive before the passing of the act of 1828, which is now in force, the law of 1822 became extinct without having ever been called into effect. If the act of 1822 had come into operation, its effects, as might easily be shown, would have been to inflict upon the community a much more oppressive monopoly than that of the act which it was meant to supersede.

tries, unless upon the further hypothesis, that the effect of that measure deranged the currencies of other countries, as it is said to have deranged our own. Not only, however, is the fact of abundance as the sufficient cause of the fall of prices in this country denied, or superciliously doubted, but the fact of a fluctuation of prices on the Continent of Europe, and especially in France, corresponding in any degree with that which had taken place in this country, down to the period under consideration, has been either expressly denied, or passed over without notice, or, if in any degree admitted, has been summarily disposed of, by referring it to the all-powerful agency of the asserted alterations in the system of the currency of this country.

Mr. Matthias Attwood must be considered as being not only the most eloquent, but one of the most able and best informed of the expounders of the doctrine, which refers all the great fluctuations of prices to alterations in the system of our currency. It would not therefore be doing justice to that doctrine to withhold his view of the state of things at the period which we are now considering, with reference to the several points here alluded to, as conveyed in the following extract from the report of a speech of his in the House of Commons, on the 10th July, 1822, on a motion of Mr. Western's to take into consideration the state of the currency: —

" The question as to foreign prices, was one on which much mis-statement had taken place, and on which it was of importance to have the real facts before them, as they threw light on our own situation. But first he desired the House to consider to what extent, and how universal the fall of prices in this country had been, and, to exhibit that, he would refer again to that paper, which had been delivered to the Agricultural Committee of the last Session of Parliament, by Mr. Tooke, and which contained a list of the prices of thirty of the most important articles of commerce and manufactures, selected as exhibiting the extent of fall of prices which had taken place on all commercial commodities generally. If these prices were con-

tinued down to the present time, the result which the list would exhibit was this, — that from the month of May 1818 to May 1822, the first of these periods being that when the second experiment for altering the standard of value had commenced, the prices of all those commodities had fallen to the extent of 40*l.* in 100*l.*, and that was nearly equal to the fall of agricultural prices since the same time. Let this fact, then, be applied to the question as to foreign prices. Was it asserted that a fall of prices as sudden, as great, and universal, as this had taken place on the Continent at large? If so, it led necessarily to one of these two conclusions: — either that all productions had every where suddenly increased, in quantity; or that money had been reduced in its quantity; for the proportion between money and commodities had altered, and one of these two conclusions must therefore be of necessity admitted. Either all the productions of all industry, all climates, and all countries, had suddenly increased (which it was impossible to believe), or otherwise, from whatever cause, a reduction in the amount of money generally in circulation had taken place. With respect to this country, where, beyond any question, the fall of prices which had taken place, was to the extent of nearly one half on all property and commodities, the reduction which we had forcibly made in the amount of money in circulation, was fully adequate to occasion that fall: it was, in fact, impossible, that such a reduction could be effected without such a fall of prices following; and doubtless these operations on English currency must have materially deranged the monied system of Europe, and have affected more particularly those countries more exclusively connected with England, and which formed the channels through which the bullion of England had at one period been dispersed, on the Continent, and at another period been drawn back.

"But the real fact was, that no such fall of prices as that experienced here, had taken place generally on the Continent; and he referred individually to France, which the Honourable Member for Portarlington had particularly referred to, as exhibiting a fall of prices as great as in this country, and this fact he distinctly contradicted; and asserted, that no material depression in agricultural produce or in property generally existed in France. He maintained that no material rise, in the monied price of agricultural productions, had taken place in France during the whole period of the war, during that period which had been distinguished by so great a rise of prices in this country; and that no material depression had taken place since the peace; and as this must be of necessity well known to many members present, and as he saw that honourable gentlemen opposite assented to that fact, he would not therefore go into the proof of it from tables and authorities which he possessed. But it followed from thence, that the rise and fall of prices which had been experienced here, had arisen from causes peculiar to this

country, and not common to us with the Continent at large, as had been so repeatedly asserted.

"It appeared, however, that there was one part of the Continent, which was Flanders, where, whether from its more intimate connexion with England, from a derangement at one time of its own currency, which there was, he understood, some reason to believe had existed, or from whatever cause, a rise and fall of prices nearly equivalent to our own had taken place." — *Hansard's Parliamentary Debates*, vol. vii. p. 1615.

The fact of general abundance, about which such wonder and incredulity are expressed, may be strange, but it is not more strange than true; and the more minutely the evidence of the fact is investigated, the more indisputably will the conclusion be established. Nor is the fact of general abundance, between 1819 and 1822, more strange than the fact equally well attested of general scarcity between 1815 and 1818. At the same time the wonder, as to the existence of general abundance, might, perhaps, be abated by expressing the fact in different terms; namely, as a cessation of the previous scarcity, with the further cause of plenty and cheapness, by a diminished cost of production. Enough, to that effect, has been shown in the foregoing sections. But in the extract here given, the importance of a reference to the state of prices on the Continent of Europe, and especially in France, is expressly admitted: the fact of such a great rise and fall of prices, as had recently been experienced in this country, having its counterpart on the Continent, is, with the single exception of the case of Flanders, distinctly denied. At the same time, a resource is provided against the event of proof of such coincidence being offered, by the simple assertion that, "the operations on English currency must have materially deranged the monied system of Europe." It has already been seen, that the prices of corn in France had fluctuated in a still greater degree, between 1808 and 1814, than they had done in this country, and

that in 1817 a large quantity, at the highest of our quotations, had been exported from hence to France. Of the previous existence of dearth, and of the transition from that dearth to great abundance, and consequent distress of the agricultural interests, there cannot be more authentic proof, or unequivocal evidence, than is afforded by the following extracts from an address of the Chamber of Deputies to the King of France, on the 26th of November, 1821, and of his answer:—

"Organs of the gratitude and filial piety of your subjects, we do not fear that we shall diminish a joy so pure, by causing to be heard at the foot of your throne, the respectful complaints of the agricultural interests, the fruitful nurse of France. Their continually increasing distress in the departments of the East, West, and South, proves the inefficacy of the tardy precautions, which are opposed to the fatal introduction of foreign corn."

Answer.—"I know the difficulties which attend the sales of corn. Notwithstanding the recollection of a recent dearth, I have, for the first time, restrained the importation of foreign grain. The laws have been executed; but no law can prevent the inconvenience which arises from a superabundant harvest. The whole of Europe experiences it at this moment."

As the rise of prices in France, in 1817, had been greater than in this country, so likewise was the fall more rapid, and to a lower level than here.

Thus, for instance, while the price in this country, by the Gazette returns, was, on an average, for the year 1819, 72*s.*, the average price in France had fallen in 1819 to 47*s.* 2*d.*, and fell eventually below 40*s.*

Not only were the fluctuations in the price of corn in France as great as they had been in this country, and in some instances greater; but those of many other, indeed of most other, articles of consumption, had been on a larger scale of variation between 1808 and 1822, than they had been here. Coffee and sugar, for instance, which were at 4*d.*

to 6*d.* the pound in this country in 1811, were at 4*s.* to 6*s.* the pound in France. Indigo, cotton, and tobacco were equally out of all ordinary proportion there to the prices in this country, and the fall had since been more than 50 per cent. On what grounds therefore the tables referred to in Mr. Attwood's speech, as proving the negative of such variations, were constructed, it is not easy to conceive.

A similar fall of prices to that which occurred in France between 1817 and 1822, was experienced throughout the greater part of the Continent of Europe, and, in some instances, the transition was still more striking. We have seen to what a height the price of corn had reached during 1816 and 1817, in the South of Germany. The fall in the two following years was great and rapid; for instance,

Vienna,	-	March, 1817,	-	114*s.*
		September, 1819,	-	19*s.* 6*d.*
Munich,	-	September, 1817,	-	151*s.*
		September, 1820,	-	24*s.* 5*d.*

In the North of Germany the fall, although not so great as in the South, was to less than one half.

At Christiana in Norway, the fall was from 81*s.* 10*d.* in 1817, to 26*s.* 8*d.* in 1822.

Mr. Blake, in his work, "Observations on the Effect of Government Expenditure," which has already been quoted, says,—

"A gentleman from Piedmont informs me, that the same measure of corn, raised upon his own estate, which, during the war, sold at 9 francs, now (1822) sells at 3, and has done so ever since the peace *, although, during the whole period, the circulating medium of Piedmont has consisted of coined money in its most perfect state. A letter was shown to me, written

* This must mean after 1817, because in that year the prices of grain in Italy had been nearly as high as in any period of the war.

by a merchant in Holland to his correspondent here, stating, that the rent of land about Utrecht had sunk to one third, owing to the great fall of prices."

At Udine, the great mart for grain in the Venetian provinces, the price fell from 99*s.* 6¾*d.* in 1816 to 31*s.* 7½*d.* per quarter, in 1819. At Fiume, from 88*s.* 11*d.* to 29*s.* 9*d.* And in the Papal dominions the prices were,

	1816.	1819.
Ancona, -	72*s.* - -	29*s.* 4*d.*
Senegallia,	76*s.* 10*d.* -	28*s.* 10*d.*
Pesaro, -	73*s.* 3*d.* -	29*s.* 3*d.*

At Lisbon, the fall was from 117*s.* 6*d.* in 1817, to 54*s.* 2*d.* in 1819. — See *Consular Returns laid before Parliament.*

Here surely is abundant proof, that the fall had not been confined to this country, or to this country and Flanders only. And it is to be observed, that these were prices not acted upon by any influence from hence, inasmuch as the principal rise of them had not been preceded by any demand for export hither, and the fall was so much greater and more rapid than that which had occurred here; besides that, the places were few of them in direct communication for the purposes of the corn trade with this country.

In none of the states in which this great transition from high to low prices took place, does it seem to have occurred to the governments, or to their subjects, that it had its origin in any, but the very obvious causes; namely, the change from bad to plentiful seasons, and the removal of obstructions to foreign supplies. Accordingly, in the address of the French Chambers, it was not the currency, but the foreign importations that were the subject of complaint.

It was reserved for the opponents of Peel's bill, in this country, to discover, "that the operations on English currency must have materially deranged

the monied system of Europe." And these operations on English currency are said to have been "such a reduction, *forcibly* made in the amount of money in circulation, as was fully adequate to occasion that fall of prices."

The constantly reiterated remark is in the foregoing extract urged, of the effect of "the bullion dispersed on the Continent from England at one time, and at another period drawn back."

The utter insignificance of the utmost possible effect from this last mentioned circumstance, has already been shown, upon grounds that it is presumed must satisfy any unbiassed reasoner. But if the influence of such a cause could have the effects ascribed to it, its operation would, in the cases cited, of the fluctuation of prices, between 1815 and 1820, have been *in an exactly opposite direction to that which is inferred.* For it has been seen, that bullion was flowing largely into this country, coincidently with the great rise of prices on the Continent in 1816 and 1817; and that it flowed out of this country in 1818 and 1819, coincidently with the great and rapid fall of prices on the Continent, the fall being, in some instances, below the level from which they had risen; the stock of bullion in this country, during that fall of Continental prices, being as low as, according to all grounds of computation, it had been on an average, during the restriction.

How far there are grounds for the asserted derangement of the monied system of Europe by "operations on English currency" as accounting for the fall of Continental prices, which for extent and rapidity was most observable in 1819, will appear in the examination now to be entered upon, of the state of the circulation, in the interval from the commencement of 1819 to the close of 1822.

SECTION 5. — *State of the Circulation from* 1819 *to* 1822.

Among other instances incidental to the currency theory, of transposing facts in the assumed relation of causes and effects, in a manner the very reverse of their actual occurrence, there is none more striking than the assertion, that the operations of the English currency deranged the monied system of Europe, in the period now under consideration. This is not only not true, but the very reverse of the truth. It was the financial operations of the principal states of the Continent of Europe, by large loans negotiated in 1817 and 1818* that deranged the English currency. Had it not been for those financial operations of the Continental states, the resumption of cash payments, in this country, would have taken place as a matter of course in 1818.

It is well known, that soon after the negociation of the loan, which was raised in 1818, by the French government, for the purpose of enabling it to fulfil its engagements with the allied powers, as a condition of their army of occupation quitting the territories of France, and upon the approach of the period for the departure of the allied troops, a sudden and great fall of the French funds occurred. The contractors for the loan applied for and obtained an extension of the time, for the fulfilment of their engagements; but many individuals and firms, who had speculated largely in

* Loans raised in Europe in the years 1817 and 1818, exclusive of England: —

£		
27,700,000	- - -	France.
2,800,000	- - -	Prussia.
3,600,000	- - -	Austria.
4,500,000	- - -	Russia.
£38,600,000		Total.

(*Append. to Lords' Com. on Cash Payments*, p. 424, 1819.)

the same view in the French funds, were ruined by the very great fall which those funds had experienced. In consequence of this great fall in the French funds, combined with the great and sudden fall of the prices of grain on the Continent, extensive failures occurred in Paris, Marseilles, and other parts of France, as also in Holland, and in Hamburg, in 1818, before any indication had appeared of discredit, or of any material pressure on the money market in this country. Those failures on the Continent entailed heavy losses on their connections here, and contributed to the commercial discredit which soon after began to manifest itself on this side, in aggravation of the reaction from the overtrading in this country, as also in the United States of America. A loan had also been negociated in the course of 1818 for the Russian government, the payments for a large proportion of which, as our importations from Russia of corn and other produce were, in that year, on a scale of unusual magnitude, were made by exports of bullion thither; thus adding greatly to the pressure on the money market, and at the same time exhibiting the phenomenon of prices falling rapidly on the Continent of Europe, much more rapidly than here, while bullion was flowing thither from hence, and calculated, therefore, according to the theory in question, to improve their monied system, and to raise their prices.

These facts, which rest on indisputable evidence, prove, beyond the possibility of question, that whatever there might be of derangement of the currency in 1818, and the commencement of 1819, originated on the Continent of Europe, being the very reverse of the state of things supposed and asserted in support of the currency doctrine.

And equally remote from the truth will be found to be the hypothesis of a forced reduction, by the Bank of England, of the amount of the

currency, with a view to the resumption of cash payments.

That the directors did not make an effort during any part of 1818, to counteract the drain on their treasure, by a reduction of their issues, has already been shown. And how stands the fact, as to 1819? Why, that in August of that year the amount of Bank notes was actually higher than it had been in February preceding, when the bullion committee was first moved for; and that a renewed advance to the extent of three millions had been made in that interval, by the Bank to government. The comparison of the position of the Bank in February and August 1819, may be collected from the following statement:—

27th February, 1819.

Circulation.		Securities.	
Notes of 5*l.* & upwards	£17,772,740	Public	£22,355,115
Under 5*l.*	7,354,230	Private	9,099,885
	25,126,970		31,455,000
Deposits	6,413,370	Bullion	4,184,620
Liabilities	31,540,240	Assets	35,639,620

31st August, 1819.

Circulation.		Securities.	
Notes of 5*l.* and upwards	18,017,450	Public	25,419,148
Under 5*l.*	7,285,340	Private	6,321,402
	25,252,790		31,740,550
Deposits	6,304,160	Bullion	3,595,360
Liabilities	31,556,950	Assets	35,335,910

There are few instances, in which the situation of the Bank has undergone so little alteration, in an interval of six months, the only difference, worth notice, being an addition of somewhat more than three millions to the public securities, and a diminution of nearly that amount of discounts. But this difference is material in a double point of view. According to the opinion which has been

referred to, of the ultra currency doctrine, the paper issued in advances to the government has a greater influence on prices than when issued through other channels, and, therefore, in this instance, ought to have raised prices. On the other hand, the diminution of discounts proves, in the first place, that the rate of interest was falling, and what is of more importance, that whatever had existed of commercial distress, as the consequence of the overtrading, which had prevailed in 1818, had abated, if it had not altogether ceased.

It was, however, in this very interval, ending in August 1819, in which there is not the vestige of preparation for cash payments, by a contraction of the circulation, that the principal part of the fall of prices, resulting from the large importations, had taken place. And yet it is to the operation of Peel's bill, which, as relates to the regulation of the Bank issues, or of any part of the position of the Bank, was utterly without effect, that the fall of prices of many of the leading articles of merchandise, cotton especially, has been ascribed, while as regards the cotton trade more distinctly than any other branch of trade, it has been seen, that the reverses experienced had their origin in circumstances anterior to the possibility of the operation of that measure. As to agricultural produce the fall of prices in the interval here alluded to was, as we have seen, and may again have occasion to observe, not to any important extent.

In truth, although from such large importations alternating with previously scanty supplies, the fluctuations of price had been considerable between 1817 and 1819, the pressure on the money market, as may be clearly inferred from the amount of discounts at the Bank, and as admits of being proved by historical evidence, if it were worth while (which it is not where the grounds of inference are so

clear), was very far short of what it was on many occasions before, and has been on two memorable occasions since. The pressure, such as it was, is so distinctly referable to the effects of overtrading, which is not, as modern experience abundantly shows, the exclusive growth of the Bank restriction, that it is the mere casual *coincidence* in point of time, with the introduction and passing of Peel's bill, that gives even the shadow of a pretence for connecting this measure in the relation of cause and effect with the necessary reaction from the over-excitement of the immediately preceding period, and for the inference, that because prices fell after the passing of Peel's bill the fall was *caused by*, or, as it is more speciously said, was *the consequence of that measure.*

It was distinctly assumed, as well in the evidence before the Bullion Committee, as in the debates in Parliament upon the bill in 1819, that the amount of Bank of England notes then in circulation was about twenty-five millions; and it was with reference to that amount that Mr. Ricardo gave it as his opinion (and the opinion which I had occasion to give was to the same effect), that for the purpose of the restoration of the value of the paper, little, if any, contraction would be found necessary.

Now, it has been seen, that no reduction had occurred in the circulation of the Bank of England at the end of August 1819; and yet in the interval from February 1819 to the August following, the price of gold had fallen from 4*l.* 1*s.* to 3*l.* 18*s.*, or, in other words, to the Mint price, the difference not being worth mentioning; and the exchanges had risen on Hamburgh from 33. 11. to 35. 11., and on Paris from 23. 85. to 25. 10. In this interval not one of the ingots which had been provided by the Bank, and which the holders of Bank notes were entitled to demand at the rate of 4*l.* 2*s.*

the ounce, was called for as a matter of business, although it is said, that one or two were applied for as a matter of curiosity. And as from the state of the exchanges, which were already at par, and were still rising, there could be no doubt of an approaching influx of bullion in the actual state of the circulation, it was perfectly clear, that no reduction of the amount of Bank notes was at that time necessary, with a view to compliance with the provisions of Peel's bill. No part of those provisions had influenced in the slightest degree, the operations of the Bank, since the passing of the bill, or even since the appointment of the committee,—no repayments by government in that interval—no refusal or limitation of discounts—no call upon the Bank for gold at the prices of the scale fixed by Peel's bill. In what conceivable way then can it be maintained that that measure operated in obliging the Bank to curtail its issues, with a view to prepare for cash payments? After the rapid rise of the exchanges, to, and above par, what rational motive could the Bank of England have to reduce its issues? None, certainly. And that no *designed* contraction did take place is clear from unquestionable testimonies. The following is an extract from a publication in 1822, by S. Turner, Esq., an ex-bank director:—

"With regard to the effect of Mr. Peel's bill on the Bank of England, I can state, from having been in the direction during the last two years, that it has been altogether a dead letter. It has neither accelerated nor retarded the return to cash payments, except as, by ordering the repayment of ten millions of exchequer bills to the Bank, it enabled it to expend those ten millions in the purchase of bullion without in any way curtailing its other advances. The directors of the Bank of England, as plain practical men, have pursued plain practicable means, without turning to the right hand or to the left, as converts to the new doctrines promulgated by the Bullion Committee, and by so doing, have already thrown into general circulation within the last twelve months, more than eight millions of sovereigns, without having diminished, except in the most trifling degree, the usual average of its notes of five pounds and upwards."

In the House of Commons, upon a discussion on the subject of the currency, 12th June, 1822. Mr. Pearse, one of the senior directors of the Bank, said that

"The honourable member for Portarlington (Mr. Ricardo) had charged the Bank with error and indiscretion, in having become too extensive purchasers of gold, in consequence of the passing of the act of 1819. The fact was, that the Bank were quite passive in taking the gold from the merchants who offered it for their purchase. The consequence, however, had been, that bullion had been paid whenever it had been demanded; that an issue of ten or eleven millions of sovereigns had taken place. Ever since he had been connected with the establishment, he had been invariably against all forced or artificial measures."

The question whether, in point of fact, the circulation as depending on the Bank of England, was contracted after August 1819, when the paper had been already restored in value to a par with gold, without any reduction, is complicated and subject to controversy, by the issue of gold coin. Before the close of the interval now under consideration, a large amount of gold coin came into circulation, and served as a substitution not only for the small notes of the Bank of England, but for some of those of *5l.* and upwards.

There has been occasion to observe, that in the discussions on the increase of the Bank circulation, during the restriction, it was the practice in support of the charge of depreciation from undue enlargement to swell the relative amount, by including the notes under *5l.*, although these were clearly in substitution for, but not fully supplying the room of the guineas, which had been displaced. So in support of the doctrine, that to the contraction of the currency is attributable the fall of prices subsequent to 1817, it has not been unusual to compare the relative amount of the Bank circulation, including the small notes, but making no allowance for the substitution of sovereigns; and accordingly, there

is no extravagance of conclusion to which this mode of comparison has not been made subservient.

The amount of gold coin issued by the Bank in exchange for the notes which they engaged to pay in cash, by their notices of the 17th of April and 1st of October, 1817, was 4,308,833*l.** Of this amount the greater part was probably exported, as the exchanges in 1818 were such as to make the exportation profitable. But there is reason to believe that some part remained in circulation, because the notes under 5*l.*, which in 1815 and 1816 amounted to upwards of nine millions, did not, in 1817, exceed seven millions five hundred thousand pounds; and as there is no ground for supposing that there were fewer interchanges requiring a one pound Bank of England note, or a sovereign, the inference is, that the reduced amount of the small notes was made up by sovereigns. There was a further reduction of Bank of England small notes in 1820 below seven millions, and as the exchanges were then such as greatly to favour the influx of gold, it is highly probable, that in the quantity of gold imported, there were sovereigns which came directly into circulation, so as not only to displace some of the small notes, but to form an addition to the whole circulation. According to this view, the amount of the circulation in 1820 would not vary materially from what it had been 1819.

But although there are no means of ascertaining whether the Bank notes and sovereigns together made up for the difference of the Bank paper in 1820, as compared with 1819, there is no doubt, that in 1821, and still more in 1822, the basis of the currency, as consisting of Bank of England notes and gold coin, exceeded in amount what it had been in 1819. The comparison will stand thus:—

* Appendix to Lords' Bullion Report, 1819, p. 374.

27862

1821.	Average of Notes of 5*l.* and upwards,		17,428,842
	Lowest amount of Notes under 5*l.* -		1,950,000
	Sovereigns issued - - -		7,484,501
			26,863,343
1822.	Average of Notes of 5*l.* and upwards		16,824,605
	Lowest amount of Notes under 5*l.* -		750,000
*	Sovereigns issued, - 1821,	7,484,501	
	1822,	4,364,085	
			11,949,798
			£29,524,403

There can be no hesitation in pronouncing these sums to be representations as correct of the amount of the basis of the currency as if the sums had consisted altogether of Bank of England notes, instead of being partly notes and partly gold coin, because from the state of the exchanges it was utterly impossible that there should have been any inducement to export the coin, unless in a few instances, as pocket pieces. According to this statement then, there was a considerable increase of the basis of the currency in 1821 and 1822, as compared with the amount at the time of the passing of Peel's bill; and this interval of two years includes the principal phenomena of the fall of prices, and of the general depression ascribed to that measure.

The restoration, therefore, of the value of the paper to its metallic standard, having taken place within six months after the appointment of the Bullion Committee, and within three months after the passing of Peel's bill, no reduction of the amount of Bank notes having taken place in the interval, and the final resumption of cash payments having taken place in 1821 and 1822, after a substitution of sovereigns for the small notes of the Bank of England, coincident *with*

* Appendix to Report of the Committee on the Bank Charter, 1832, p. 72.

an increase of the issues, paper and coin together from the Bank, Peel's bill must be pronounced to have been wholly inoperative in producing any contraction, none having occurred in the basis of the currency.

But it has been urged that the provisions of Peel's bill, by directing a repayment to the Bank of a certain amount of its advances to government, necessarily occasioned the withdrawal of Bank notes from circulation to that extent. It is evident, however, by the fact of an *increased issue*, after such repayment, that there were other channels through which the sums repaid by government were reissued; and the main question is, as to the quantity of money, and not as to the manner in which it came into circulation.

In February, 1822, in consequence of the complaints of agricultural distress, which are invariably attendant upon the cessation of a dearth of provisions, although the bulk of the community was deriving the benefit of abundance and cheapness*, the ministers in deference to the parties urging

* The following extracts from the speech (26th February, 1822,) of Lord Liverpool, in which he introduced the measure in the House of Lords, exhibits in a very striking point of view, the most decisive proof of the general prosperity of the country, while the landed interest was suffering from the fall and low prices of provisions.

"In the course of the last year the revenue exceeded the revenue of the preceding year by more than a million sterling; an increase calculated on those articles, subject to the same amount of taxation in both years. This increase is not only a material fact in itself, but becomes still more so as connected with other important considerations. Your Lordships may naturally ask, But how has this revenue been collected? with what degree of pressure upon the people? In answer, I can positively assert, that there never was any year's revenue collected with less difficulty or arrear. Out of about twenty-seven millions of excise duties, to be collected in the year, there is not a deficiency of more than 5000*l.*, and even of that residue there is a prospect that the greater part will be collected. So that, not only has the revenue increased, not only does it continue

those complaints, proposed to parliament certain resolutions, authorising an issue of four millions of exchequer bills, for the purpose of being advanced by government in loans to parishes, and generally for the promotion of public works. This notable scheme was with a view, as it was intimated, of enlarging the circulation and stimulating speculation, or in other words, raising prices: the resolutions were passed, and the powers were granted; but they failed egregiously of the proposed effect. The circulation of Bank notes, an increase of which was the professed object of the measure, was diminished instead of being enlarged, between February and August, 1822; and although the securities of the Bank were increased by one million two hundred thousand pounds in August, as compared with February 1822, that increase was more than compensated by an increase, on the other hand, of the deposits to the amount of one million seven hundred thousand pounds. But the main purpose, namely, that of raising prices, was so far from being accom-

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to increase, but it appears to press more lightly on the people, than at many former periods."

And in a subsequent part of his speech, Lord Liverpool added: —

"When the Noble Earl (Stanhope) says, that the low prices, incident to the distress which agriculture suffers, benefit no man, I answer, that although I sincerely wish the distress did not exist, I cannot be blind to the fact, that they certainly do benefit *a great majority* of the people. Do they not benefit the annuitant and mortgagee, who were, during the war, the principal and almost the only sufferers. In all large towns they have occasioned considerable benefit by the fall of the poor rates. I have been at some trouble, my Lords, to ascertain the real state of the case, and I can pledge myself to the accuracy of this statement. In this metropolis, in which your Lordships are now sitting, never were the lower orders of the people in a better condition than they are at the present moment. So that when the noble earl says, that the low prices, incident to the distress of the agriculturist, have not been beneficial to anybody, he certainly labours under a great mistake, for that distress, however much to be lamented in itself, is accompanied by a considerable benefit to *a great proportion* of the people."

plished, that they fell progressively to the end of the year, and a twelvemonth elapsed before, from totally distinct causes, the prices of provisions experienced the so much desired advance.

It may still be contended, however, that if the repayments had not been made, the circulation of the Bank of England might have been larger by that amount. This does not follow, inasmuch as there would, in all probability, have been a diminution, on the one hand, of private securities, and an increase, on the other, of the amount of deposits. But if the repayment were supposed to have the effect, which, under the circumstances it had not, of diminishing the circulation, Peel's bill cannot in fairness be charged with having rendered necessary any part of such repayment (taking the advances as they stood in February 1819) beyond what would, in all probability, have been made by 1822, if that bill had not passed.

The repayments which took place subsequently to 1819, were clearly not necessary or desirable to the Bank. The rapid rise of the exchanges insured a great influx of gold, and proved that the circulation required no reduction. It would, therefore, have argued great mismanagement on the part of the Bank directors, if they had, under such circumstances, urged the repayment from government, as the means of enabling them to pay in gold; and the promoters of Peel's bill would not have been accountable for the consequences of such mismanagement.

But there does not appear to be sufficient reason for imputing to the Bank directors of that time such ignorance of their position. The state of the money market had become such as made it highly expedient for the government, in its financial arrangements, to reduce the amount of the unfunded debt, which was inconveniently and dangerously large; and the opportunity for such reduction

presented itself in the great fall in the market rate of interest and the rise of the funds, which occurred between 1820 and 1822, in which interval the repayment was completed. Whether, therefore, the repayments by government had produced an actual diminution of the Bank issues (which they did not), or whether they prevented such an enlargement of the circulation as might otherwise have taken place (which they probably did), in neither case could the effect be imputed to Peel's bill, as it is highly probable that such repayments were regulated mainly by the financial views of government, and it would be a new and somewhat dangerous doctrine, to contend that government ought to enlarge or diminish the unfunded debt, not according to views strictly financial, but according to their notions of the proper amount of the circulating medium.

It is perfectly clear, therefore, that there is not the shadow of a pretence for imputing to the operation of Peel's bill any thing like a forcible reduction of the issues of the Bank; for that, in point of fact, it had no influence whatever on the amount of the circulation.

This opinion of the inoperativeness of Peel's bill, on the amount of the circulation, supposes, however, that it was not in the alternative of a debasement of the standard, or of an unlimited and irredeemable compulsory paper currency. The former of these alternatives was entertained and suggested by a small number only, who, as has been observed, had no definite plan; the latter was not contemplated, or, if contemplated, was not ventured to be avowed by any one, except here and there by some wild projector. There were, in point of fact, only two alternatives that came properly under consideration of the legislature in 1819, namely, to continue the restriction, as it had from time to time been extended

for one, two, or three years further, without any intermediate payment in gold at a fixed price; *or*, to leave the continuance of the restriction to the convenience and discretion of the Bank directors; they engaging according to their own suggestion, in the meantime to pay their notes in gold, if required, at the *market* price.

The debates upon Peel's bill turned chiefly upon the compulsory clauses, enforcing the payment of bullion according to the scale. These clauses were considered objectionable, as being calculated to oblige the Bank forcibly to contract its circulation, for the purpose of paying in bullion at the prescribed periods, and any very strict limitation of time, for the eventual resumption was objected to by the friends of the paper system on the same ground. But to the principle of the *eventual restoration* of the value of paper to gold at *3l.* 17*s.* 10½*d.*, there was a pretty general assent, the chief exceptions being those already mentioned. But whichever of the alternatives here referred to had been adopted, the same result, as relates to the amount of the circulation of Bank paper, the time of the restoration of its value, and the final resumption of cash payments, would have occurred as the inevitable consequence of the state of things which existed in 1819 and 1820.

I refer to the fall in the market rate of interest, and the consequent contraction of the channel for the issue of Bank notes through the discount of mercantile bills—the improved state of the finances, which enabled and induced government to diminish the unfunded debt—the large sums due from abroad, for the unusually extensive exports of 1818, the means of returns, excepting in gold, being at the same time abridged by the shutting of our ports against the importation of corn, and by the glut which prevailed here of other foreign products, in consequence of the large importations of 1818—

these circumstances combined to determine the tide of the metals so strongly into this country, that nothing but a very unusual effort on the part of the Bank, involving a departure from its ordinary rules, in extending its securities at a greatly reduced rate of interest, which might have had the effect of hastening the direction of capital to foreign investments, could have prevented, or even materially have retarded, such influx. Instead, therefore, of any effort being requisite on the part of the Bank to comply with the provisions of Peel's bill, it would have required an extraordinary effort to render them operative.*

But if Peel's bill was thus inoperative, and therefore innocent of all the evils which have been so abundantly, and with so much superfluous eloquence laid to its charge, it may be asked, what was the merit of the bill, and what was the ground of the importance attached to it by its promoters? —seeing that the same result would have attended any of the alternatives proposed, an alteration of the standard, or a permanently irredeemable and unlimited paper currency excepted.

The merit of the measure was, as it has since turned out, independent of the event. That merit consisted in the sanction which it afforded to the

* Mr. Ricardo does not appear to me to have sufficiently appreciated this state of things, when he charged the Bank directors with mismanagement, in having prematurely and unnecessarily enhanced the value of the currency by their large purchases of gold after the passing of Mr. Peel's bill. His mode of expression conveys the dea that the directors made an effort to buy gold; that they created a demand for it by a designed reduction of their issues for that specific purpose. Now, the truth is, that they were perfectly passive, and moved only in the ordinary routine of their business: they bought gold simply as it was brought to them at or below the Mint price; and it was a matter of indifference, as concerned the amount of the currency, whether the gold were taken by the importers to the Mint, and thence brought directly into circulation as coin, or were taken in the shape of bullion to the Bank in return for its notes.

principle, that the Bank has the power, by the regulation of its issues, to preserve the value of its paper on a level with that of gold: and the importance attached to the bill by its promoters is fully justified by the consideration that, at the time when it was under discussion, there was fair ground for contemplating circumstances under which the compulsory clauses of the act would come into operation.

Among the numerous contingencies which might have rendered Peel's bill operative in contracting the circulation, a few, involving no very great improbability, may be noticed. The harvest in 1820, proving *deficient* by more than a fourth, (instead of being, as it was, *productive* by more than a fourth above an average,) and the consequent opening of the ports to a very large importation of corn—speculations upon deficiency of cotton or of other imported commodities—any great financial operation of the French government,—or an earlier direction of capital in mining schemes, and loans to South America.

Some of these separately, but more especially if combined, would, in an advanced state of their progress, have created such a mass of mercantile paper, and such a demand for the employment of borrowed capital, as materially to raise the rate of interest. The applications for discount at the Bank would have been greatly increased; and the same cause, viz. a rise in the rate of interest, would have made it difficult, or at any rate very inconvenient, for government to make any repayment of its advances; or the government might, under such circumstances, have been induced to ask for further accommodation. But while in this state of things there would have been an increased demand for Bank notes, a tendency to an efflux of the metals to answer the sudden call for payments abroad, before any return for increased exports of commodi-

ties could meet that call, would have indicated the expediency of contracting the circulation.

In such case it is that Peel's bill would have been operative. The Bank directors could not then, without putting themselves out of condition to conform to its enactments, have granted accommodation in the way of discounts to the extent of the applications for it; and instead of making further advances to government, the early repayment of the amount contemplated by the act of 1819 must have been rigidly insisted on.

The limitation of discounts below the sums applied for, and the necessity which government would be under of raising a loan, or of issuing exchequer bills at a higher rate of interest to enable it to make the repayment, would have produced a great deal of mercantile pressure and distress. This state of things would have been compatible as it was in the spring of 1796, with a high price of corn. Although, under such circumstances, Peel's bill would have been strictly and severely operative upon *other* classes: the *landed* interest, so long as the prices of agricultural produce were maintained, would not have made the discovery, that it was a measure calculated to diminish the value of all property.

It is curious to remark, that the state of things which really rendered Peel's bill inoperative for the first few years after its enactment, should have been taken as the specific ground for the clamours against it, while, under the opposite circumstances, when it would have been strictly coercive, there would not have been the slightest pretence for the complaints of those who have been most violently opposed to it.

As regards then the issues of the Bank of England, there appears to be no ground whatever for the assertion that they were contracted by the operation of Peel's bill. But it is contended by some

of the opponents of that measure, that although it had not the effect of reducing the issues of the Bank of England, it greatly contracted the issues of the country banks, and thus occasioned the fall of prices. That a considerable contraction (although not nearly to the extent generally supposed) of country bank notes took place subsequent to the passing of Peel's bill, I am perfectly willing to admit; and that this contraction accompanied the fall of prices which occurred between 1818 and 1822, may be equally conceded. But it admits of being abundantly shown, that the contraction (exaggerated as it has been) of the country circulation, was the necessary *consequence* of the fall of prices.

Of the circumstances which favour an extension of the country Bank circulation on the one hand, or repress it on the other, abundant explanation and illustration have already been given in the course of this work. It has been seen, that it is of the nature of the circulation of the country banks, to be extended under circumstances favourable to speculation, upon the prospect of an advance of prices, or upon the opening of new fields of enterprise, and to be diminished under the opposite circumstances. During the period of advancing prices, and of speculation and general excitement, which prevailed from 1816 to 1818, there must accordingly have been, as there is the strongest presumptive evidence that there was, a considerable enlargement of the country circulation. But at the time immediately preceding the passing of Peel's bill, there was a cessation, from causes totally independent of that measure, of obvious grounds for speculation of any kind. The excess of supply of nearly all imported commodities in 1819, which continued more or less through the two following years, was calculated to discourage all anticipation of a speedy advance of prices, at the same time that the fall of prices and

commercial failures narrowed the range, within which accommodation from the bankers could be sought or granted; and after the summer of 1820, when the extraordinary productiveness of that harvest began to be appreciated, there was not only no reasonable ground for speculating on an advance of the price of corn, but a well-founded apprehension of a fall. There was accordingly a greatly diminished inducement to farmers and to cattle dealers, and corn dealers, and millers, with a view of being enabled to keep up or increase their stock to seek advances from the country banks.* And what was of still more importance, where the inducement to borrow existed, the credit necessary for the purpose was impaired. Whether in the trading and manufacturing towns, therefore, or in the agricultural districts, there did not exist the inducement, or the means for putting out or keeping out the same quantity of paper: a reduction of the amount was consequently inevitable, even if the Bank of England had coincidently made a forced enlargement of its issues.

If Peel's bill could be shown to have directly or even indirectly *caused* such a derangement of the country circulation as had occurred in failures of bankers in 1793, and again in 1810 to 1812, and in 1814 to 1816, so as to have disabled them from accommodating applicants, who had adequate security to offer, or to induce them to call in the advances already made, then, indeed, some effect might be ascribed to that measure, in the contraction of the circulation which

* Mr. Hudson Gurney, on being asked by the Bullion Committee of 1819 — "What determines, in your opinion, the fluctuations in the amount of country bank paper?" answers: "The price at which the staple commodity of each district is selling: for example, I consider that our circulation would increase with a high price of corn, and would decrease with a low price of corn: corn being the staple of Norfolk."

took place; but there is not the shadow of a pretence for ascribing to it any such effect. The commercial failures in 1819 were not upon the whole either so numerous or extensive as might have been expected from the alteration of prices; and of those mercantile and manufacturing establishments which failed, the greater number had been embarrassed by the general stagnation, which occurred at the close of 1818, in consequence of the over-trading of that and the preceding year. The total number of bankruptcies, in the three years ending in 1821, were four thousand one hundred and eighteen, while those in the three years ending in 1816 had been six thousand six hundred and twenty-seven, and those in the three years ending in 1812 had been seven thousand and forty-two. Of country banks the failures were still fewer in proportion, the whole number of commissions against them, in 1819, 1820, and 1821, having been only twenty-seven, namely, 1819 thirteen, 1820 four, 1821 ten, while they had been nearly treble that number in the three years ending in 1816.*

In truth, although there had been in 1819, as in all cases of re-action from over-trading, a pressure on the money market, that is, a diminished facility, and an increased rate of interest in the discount of ordinary paper, there was nothing like so great a pressure as had, in several previous instances during the restriction, been experienced. And the duration of the pressure, comparatively light as it was, proved to be very short; the clear evidence of which is in the fact of a great falling off of the discounts at the Bank, namely, from

* This comparative stability of commercial, but more especially of banking, credit may be ascribed to the circumstance that the great failures which had occurred in 1814–15–16 were still recent, and had cleared away the greater part, if not the whole, of what had been rotten or unsound in trade and banking, so that the losses arising from the overtrading of 1818 fell on establishments that could bear them.

nine millions, in February 1819, to about six millions, in August following; at which latter date, not a vestige of pressure on the money market or of commercial discredit remained.

It may, however, be contended, that though the general provisions of Peel's bill for the resumption of cash payments had not any material influence in the reduction which took place in the circulation of the country banks from 1819 to 1822, yet that the particular part of the enactment which enjoined the suppression of the 1*l.* country notes in 1823 was calculated to produce a considerable effect, by inducing country bankers to make preparations for withdrawing that portion of their paper.

The importance of the country 1*l.* note circulation upon the value of the whole of the currency, or, in other words, its influence on prices, has been, and is, in my opinion, extravagantly, and I would almost say ludicrously, over-rated. But whatever may be the importance of that part of the circulation, the provisions which related to it in Peel's bill did not practically come into operation, inasmuch as that clause of the act which directed the suppression in 1823 was repealed in June, 1822.

It has often been said, and is still constantly repeated, that government, alarmed at the fall of prices, tampered afresh with the currency, by repealing so much of the act of 1819 as provided for the cessation of the small note country circulation in 1823, and extending the term of the privilege of issuing them for ten years longer. And that, *in consequence* of this prolongation of term, there was an increased issue of paper and a renewed rise of prices. This is only one of innumerable specimens of total disregard of dates and attendant circumstances, in referring to the operation of particular measures. That it was a tampering with the currency, and that it was very weak and foolish on the

part of government to have yielded in that, as in other instances, to the influence of the country gentlemen, who thought that they would be marvellously benefited by that measure, may be readily admitted. But that it had the so much desired effect of raising prices is not only not to be admitted, but admits of being distinctly denied and disproved.

It was in reference to this measure that the late W. Cobbett used to ring the changes of "out came the paper, and up went the prices." Now the fact was, that the paper did *not come out*, and the prices *did not get up*, but, on the contrary, *continued to go down*, for many months after the bringing in of the bill in question. It was in April 1822 that ministers announced their very unwise intention of proposing the prolongation of the small note country circulation. And there was not a doubt that the measure would pass. If, therefore, the country bankers had contracted their circulation, merely in contemplation of the impending termination of the privilege of issue, what should have prevented their extending their issues now that they were secure of the continuance of the permission for ten years longer? But, in truth, there was no extension, but rather a diminution, of their issues to the close of 1822, *following the fall of the price of wheat*, which in the commencement of that year had been at 48*s.* 6*d.*, and declined before the close of it to 38*s.* 10*d.*, being a fall of 20 per cent. The subsequent rise in the price of corn, which is so commonly ascribed to the supposed influence of the prolongation, (the bill for which was passed in the early part of 1822,) did not take place till a twelvemonth after the notice of that prolongation had been given. That rise of prices, and the accompanying state of the circulation, will be noticed in the examination which we are about to enter upon of the next epoch.

The only imaginable remaining ground upon which Peel's bill can be connected, in the relation of cause and effect, with the low range of prices in 1822 is that, assuming the influx of bullion between 1819 and 1822 to have been a consequence, and not, as it was, a mere sequence of that measure, the absorption of so much of the metals from the circulation of the rest of the world may be supposed to have caused a sensible increase of their value. But not to repeat the arguments of reasoning and fact which have been before adduced, to show how little perceptible effect upon prices is likely to be produced by variations of a few millions of the precious metals, absorbed from, or dispersed among, the nations of the world, it may be sufficient here to mention, by anticipation of what will properly come under distinct notice in the next chapter, the fact, that the accumulation of bullion in the coffers of the Bank was greater, by no less an amount than four millions, in January 1824 than it had been in at the close of 1822, while the prices of corn, and of agricultural produce generally, had risen upwards of 50 per cent., coincidently with that large additional influx of bullion.

Section 6. — *Summary of the preceding Survey.*

The facts and reasonings which have been adduced in this chapter appear to establish irresistibly the following conclusions:—

1. That the very great increase of the importations at the close of 1818, and the very high prices which then prevailed, and which could only be justified by the previous scarcity, led inevitably, supposing a perfectly uniform state of the currency, to a great fall of prices in 1819; and the continued abundance of supplies accounts fully for a low range,

with a tendency to a continued fall, to the close of 1822.

2. That, as relates to agricultural produce especially, an importation of corn beyond the occasion at the close of 1818 formed an excess of supply, which, concurring with a succession of productive crops of our own growth, could not fail of causing that reduction of the value of wheat, and of other agricultural produce, from 1817 to 1822, which has so unaccountably and gratuitously been ascribed to other causes.

3. That if it had been an object with the legislature, when the state of the currency was brought before it in 1819, to maintain the prices which had been the consequence of scarcity and speculation, no means were open to it but to degrade the standard by between 30 and 50 per cent. at a time when, by the ordinary tests of the price of gold and the exchanges, the utmost depreciation of the paper did not exceed between 3 and 5 per cent. It being to be borne in mind that a degradation of the standard to the extent supposed would have virtually defeated the operation of the corn laws, which, therefore, in the proposed view of keeping up prices, would have required a corresponding alteration.

4. That as the price of corn in France, and on the Continent of Europe generally, had, in 1816 and 1817, risen beyond the ordinary relative proportion to the prices in this country, so the fall of prices on the Continent, between 1817 and 1822, was more rapid, and to a much lower level, than ours. If, therefore, the fall of prices in this country formed sufficient ground for calling upon the legislature to degrade the standard, there would have been at least equal reason why the landed interests, and debtors generally, in Germany, Holland, France, and Italy, should have called upon their respective governments for a similar degradation of the standard of their currencies.

5. That the fall of prices on the Continent of Europe in 1818, which had preceded and gone beyond ours, was accompanied by an efflux of bullion from this country; a circumstance which, according to the currency theory, ought to have had the effect of raising prices on the Continent.

6. That not only were the causes connected with the supply and demand sufficient to account for the fall of prices in this interval, without inferring a contraction of the Bank circulation as an originating or moving cause of that fall, but that, in point of fact, the issues of Bank notes and coin together, constituting the basis of the currency, were increased coincidently with the fall of prices.

7. That as an increase of the country circulation had been a consequence of the rise of prices from 1816 to 1818, so a reduction necessarily followed the fall of prices between 1818 and 1822.

8. That the prolongation, in the spring of 1822, of the term for the issue of country small notes to ten years from that time had not the effect ascribed to it of an immediate increase of the country circulation, and of a consequent rise of prices, inasmuch as all accounts agree in computing that the country circulation was rather reduced than extended during the twelvemonth following that measure, and inasmuch as the prices of corn continued to decline till the spring of 1823, a twelvemonth afterwards, when distinct grounds for an advance of prices occurred.

9. That whether looking to the state of supply and demand as regards production, or to the state of the circulation, whether of the Bank of England or of the country banks, or to the corresponding variation of bullion prices in the rest of the commercial world, the conclusion is irresistible that the act of 1819, for the resumption of cash payments, was perfectly inoperative upon the amount of the circulating medium, and upon

the state of prices in this country to the close of 1822.

10. That the accumulation of bullion in the coffers of the Bank in 1822 cannot be assigned as a cause of the low range of prices of agricultural produce at the close of that year, inasmuch as it will be seen in the next chapter that prices rose upwards of 50 per cent., coincidently with a further accumulation of no less than four millions in the year following.

The interval which has here passed under review has been confined to the four years ending in 1822, because the close of that year witnessed the depression of almost all articles to nearly as low a point as they have since again reached. Immediately after the close of 1822 there arose a fresh set of disturbing causes, the nature and extent of the operation of which we shall now proceed to examine.

CHAPTER VIII.

STATE OF PRICES AND OF THE CIRCULATION, FROM THE COMMENCEMENT OF 1823 TO THE CLOSE OF 1827.

THE epoch, upon the consideration of which we are now about to enter, comprises the memorable speculations of 1824–5, and the lamentable recoil from them, attended by an extraordinary derangement of the circulation, in 1825–6.

An advance in the prices of corn having occurred in the interval from 1822 to 1827 has been ascribed to the same general causes. But it will be seen, that although the prices of corn and of other provisions rose considerably, and were at a much higher range in that interval, than they had been in 1821 and 1822, the advance was not so coincident in point of time with the speculative rise in the prices of other produce and of shares, and of foreign loans, which characterised the speculations of 1824–5, as to admit of being brought within the same supposed influence.

SECTION 1. — *Variations of the Corn Trade in 1823, with reference to the asserted Influence of an enlarged Circulation of Paper in that Year.*

A rise in the price of wheat of upwards of 50 per cent. which occurred in 1823, has been laid particular stress upon by the partisans of the currency theory, as being illustrative of the effects of an

enlargement of the circulation of the Bank of England, and of the country banks, such enlargement being confidently asserted to have been the originating and the chief, if not the only, cause of that rise. Assertions to this effect are to be found in nearly all the pamphlets and speeches of the supporters of that doctrine. In the minutes of evidence appended to the reports of the Lords' and Commons' committees, of 1836, on agricultural distress, the leading questions, and the general tenor of the answers imply a full persuasion on the part both of the examiners and the examined, that an increase of paper was the main, if not the sole, cause of the rise in the prices of corn in 1823.

Seeing therefore the importance that is attached to the state of the corn trade in this particular year, it is desirable to enter into a separate examination of the causes of the advance of the prices of provisions in 1823, with a view of being enabled to judge how far the variations of price admit of being accounted for by circumstances peculiar to that branch of trade, and then to examine the grounds for the alleged influence of the currency.

The rise which is observable in the average price of wheat, in the two first months of 1823, namely, to 40*s.* 8*d.* in February, was mainly the effect of the necessarily increasing proportion of the superior new to the very inferior old coming to market. And a part of the further advance was ascribed in the contemporary accounts, and with great probability, to the circumstance of purchases by persons who had previously sold their old wheat, with a view to reinvestment in the new. Some speculative purchases were also made at that time, in pursuance of an opinion which had become prevalent, that prices had seen their lowest; and the excellent quality and condition of the wheat of 1822, afforded additional inducements to act upon that opinion. The winter of 1822–3, although not memorable for

severity and duration of frost, was rather a rigorous one, and the spring of 1823 was very backward, with a prevalence of cold dry weather till the latter end of June. From these combined circumstances, the average prices had risen in June, for

Wheat	- -	to	62*s.* 5*d.*
Barley	- -	—	33*s.* 9*d.*
Oats	- -	—	26*s.* 10*d.*

The weather, however, afterwards improved, and as the recent rise had induced large supplies from the farmers, the old stock being found to be more considerable than had been supposed, the markets gave way. Although the weather at harvest was unsettled, with a considerable proportion of wet, accompanied, with reports of injury to the crops, prices still continued to decline, and in October of that year the averages were, for

Wheat	- - -	46*s.* 5*d.*
Barley	- - -	25*s.* 4*d.*
Oats	- - -	20*s.* 6*d.*

The fall in the price of wheat being thus no less than 16*s.* the quarter.

But as it had been found on threshing, that the produce of the crops was really deficient, while the old stock had been materially reduced, there was a rally of the markets at the close of the year, the averages in December being, for

Wheat	- - -	50*s.* 8*d.*
Barley	- - -	27*s.* 6*d.*
Oats	- - -	20*s.* 7*d.*

As the circumstances under which these fluctuations occurred must be still distinctly within the recollection of many persons who were then, as they are at present, extensively concerned in the corn trade, I can confidently appeal to them for the correctness of this description.

But supposing these circumstances insufficient, we shall now proceed to see how far the issues of

the Bank of England, or the country banks, were to such an extent, or at such times as can bring them into the relation of cause and effect, with those fluctuations.

In the reference which is commonly made to an increase of the circulation of Bank of England, and of country bank notes, as the cause of the rise of the price of corn in 1823, it is clearly implied that it was an increase of paper beyond the due proportion to the metallic basis of the currency. That such is the meaning of those who assign an increase of paper as the cause of the rise of prices may be clearly inferred from their imputing that increase to the design of government to give relief to the suffering agricultural interests, not only by the prolongation of the term for the country small note circulation, but by the plan proposed by ministers, and sanctioned by parliament, in the spring of 1822, for an issue of four millions of exchequer bills *, in aid of public works. Now, a reference to the facts of the case will show,

1. That the increased issue of notes by the Bank of England in 1823 was less than the increase of bullion in its coffers.

2. That the increase of Bank of England notes in 1823, was not in amount or order of time, such as to admit of its being connected in the relation

* In the examination of evidence by the Committee of the House of Commons, on the Bank Charter, in 1832, it is assumed in some of the questions, that this proposed advance of four millions of exchequer bills was tantamount in its influence on the currency, and thence on prices to an additional issue of Bank notes to that amount.: thus confounding the creation of marketable securities with the issue of so much paper money. And as, taking some extreme points of the state of the Bank issues in 1822 and 1825, there was an increase of about four millions of notes, the inference is implied, that the increase was entirely caused by that measure, while in truth, these exchequer bills do not appear to have had the slightest effect upon the Bank issues, the whole increase of which, in 1823, was, as appears in the text, considerably short of the increase of bullion.

of cause and effect, with the variations of the price of wheat.

3. That there was no such increase in the amount of public securities held by the Bank in 1823 as to justify the supposition that the issue of exchequer bills had added to the circulation.

4. That the country bank circulation does not appear to have experienced in 1823 any enlargement corresponding even with that which had taken place in the circulation of the Bank of England, and still less in proportion to the increase of the amount of bullion in the coffers of the Bank.

1. The comparison of the circulation of the Bank of England with the amount of its treasure stands thus:—

Average amount of Bank Notes.

1822 - - - -	£17,862,890
1823 - - - -	18,629,540
Increase, -	£766,650

Average amount of Bullion in the years ending

	Gold.	Silver.	Total.
28 Feb. 1823*	£8,135,629	£2,119,069	10,254,698
28 Feb. 1824	10,805,780	1,801,183	12,606,963
Increase -			£2,352,268

* The only returns of the yearly average amount of bullion, are for the years ending in February of each year. The returns here given comprise ten months of 1822, and ten months of 1823, thus answering the purpose proposed by the comparison with the circulation. But it may serve as an amusing instance of the manner in which the conclusion from this comparison is sought to be eluded, to cite the following questions and answers in the examination of Mr. Harman, by the Committee on the Bank Charter, p. 151., the questions being evidently by a partisan of the ultra-currency doctrine. "The amount of bullion, as appears from the paper before the Committee held by the Bank in February 1822, for the average of the year up to that period, was 11,600,000*l.*; and for the average of the year ending February 1825, 11,800,000*l.*, so that there could only have been 200,000*l.* of notes issued on bullion deposited at the Bank?" Answer.—"In the years 1824 and 1825, there

By this statement it appears that the accumulation of treasure in the coffers of the Bank, on an average of the year ending February 1823, having already amounted to the large sum of upwards of ten millions, and a further increase having taken place in the following twelve months, to an amount

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was a very considerable reduction of the amount of bullion, but also a very considerable reduction of our floating government securities, to the amount, I should think, of four millions and a half."—" With respect to the issues prior to February 1825, does not it appear, according to the figures that have been quoted, that those issues could not have been issues upon bullion, but that they must have been either on government securities or advances on mortgages, or advances on stock, or upon advances of a similar description?" * —" Yes."

Now, here the inference proposed by sinking the comparative amount between February 1822 and February 1825 is, that the increase of Bank notes, during the whole of that interval had been issued on securities, and that the securities must have been the exchequer bills voted in 1822: whereas, it is clear beyond question, that from February 1823 to February 1824, the whole increase of issues was considerably short of the increase of bullion; and it is in that interval that the great improvement took place in the prices of corn, which is so gratuitously ascribed to an issue of exchequer bills, converted by an unfounded supposition into Bank notes.

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* It is to be borne in mind, that Mr. Harman disclaimed being able to speak with accuracy on points of detail. At the outset of his examination he said, " Having been out of the Bank so long, and having no intercourse whatever with it, I did not come prepared to enter into detail." And when asked, " Did you take any measures in order to increase the circulating medium in 1821 and 1822, for the purpose of relieving the country from the low prices which then existed?" he answered, " I must plead want of recollection of particular periods." " About that time, did you take any measures for the purpose of increasing the circulation of the country?" " If I had known that these questions would have been put to me, I would have refreshed my memory with documents which are not in my possession." After this very proper disclaimer it must be quite clear, that if Mr. Harman could have refreshed his memory by documents, he could not have given an unqualified affirmative to the question above quoted.

of no less than two millions three hundred thousand pounds, the enlargement of the Bank circulation of about seven hundred and fifty thousand pounds, was actually less than one third of the increase of bullion in the corresponding period. And yet this increase of paper in so small a proportion to the influx of bullion has been asserted, and repeated from speech to speech, from pamphlet to pamphlet, and from examiner to examined, as a designed and forced issue of paper, a tampering with the currency in order to raise prices, with the express view of assuaging the discontents of the landed interests, at the low price of corn, and as the principal if not the only cause of the rise of prices in 1823.

2. If the enlargement of the Bank issues had not been in a small proportion only to the influx of bullion in 1823, the periods and the amount of issues were not such as to admit of the relation of cause and effect with the price of corn. The average amount of Bank notes was, in the quarter ending

			Price of Wheat.
30th Sept. 1822	£18,379,440	Sept. 1822	39*s.*
31st Mar. 1823	17,993,270	Mar. 1825	48*s.*

But there was an increase of the Bank circulation in the last six months, as compared with the first six months of 1283. The comparison will stand thus:—Average amount of Bank notes in the six months ending

			Price of Wheat.
30th June, 1823,	£17,416,650	June, 1823,	62*s.* 5*d.*
31st Dec.	18,606,115	Oct.	46*s.* 5*d.*
		Dec.	50*s.* 8*d.*

Here, with an increase of issues to the extent of 1,200,000*l.*, we have a fall in the price of wheat of upwards of 20 per cent.

And if the monthly averages of Bank notes and of the price of wheat be taken from June to the end of the year, being the interval during which

the increase was most observable, the discrepancy will be found to be still more striking; thus:—

	Average of Bank Notes.	Price of Wheat.
June, 1823,	£17,050,414	62*s.* 5*d.*
July -	19,700,494	59*s.* 6*d.*
Aug. -	17,743,656	58*s.* 10*d.*
Sept. -	18,234,628	53*s.* 10*d.*
Oct. -	18,681,588	46*s.* 5*d.*
Nov. -	20,406,564	50*s.* 3*d.*
Dec. -	17,955,778	50*s.* 8*d.*

It must be an extraordinary sort of logic that would infer a connection between these variations of the amount of Bank notes and the prices of wheat, and yet it is a settled article of faith in the currency doctrine, that the price of corn in 1823, was mainly, if not solely, governed by the amount of the Bank circulation, which is assumed to have been increased by four millions in immediate and necessary consequence of the plan of ministers for issuing that amount of exchequer bills to parishes and other parties in aid of public works.*

3. If however the proofs derived from the comparative circulation were not sufficient in the ne-

* Thus Mr. (now Lord) Western, in a debate on the currency in the House of Commons, 3d April 1827, said, "Let them compare the price of 1824, 1825, and 1826 with that of 1822, and consider the cause of it. Did not Lord Londonderry in the House of Commons, and Lord Liverpool in the House of Lords, declare, that the financial measures then taking place were not a consequence of want of money for the service of the state, but simply to enlarge the circulation? The circulation was accordingly enlarged, and the prices of 1824, 1825, and 1826 were owing to that cause."

And Sir James Graham, in a debate, 3d June 1828, on the bill for preventing the circulation of Scotch small notes in England, expressed himself to the same effect.

"In 1822," he said, "wheat had got down to 42*s.*; lower, absolutely, than at any period since the revolution. What had been the conduct of the minister of that day? The Marquis of Londonderry, with a statesmanlike courage and decision, had met the evil upon its real merits. He had not treated it as an effect of a fluctuation of prices, of want of means of consumption, or of superabundant harvests. The noble Marquis had said plainly and directly, 'This is a question of cur-

gative of the hypothesis, that the issue of the four millions of exchequer bills had not the effect of adding by that or any perceptible amount to the circulation, a single fact may be adduced, which, of itself would be quite decisive, viz. that the public securities held by the Bank in August 1823 were lower in amount than they had been in February 1822, as may be seen by the following comparative statement:—

28 Feb. 1822	-	-	£12,478,133
31 Aug. —	-	-	13,668,359
28 Feb. 1823	-	-	13,658,829
30 Aug. —	-	-	11,842,677

this last amount being lower than it had before been since 1805.

4. But failing of even the semblance of any influence from the Bank of England issues, or from the issues of exchequer bills on the price of corn in 1823, and relying on the vagueness and obscurity which prevail with respect to the country bank circulation, the partisans of the currency doctrine must be driven to resort to the latter description of circulating medium as operating most powerfully on prices.

Vague, however, and unsatisfactory as are the means of judging of the amount of the country circulation, it may be worth while to refer to such computations as rest upon any authority whatever. The attempts at computation most commonly made have been by a reference to the number of stamps issued in a particular year. These are all issued

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rency. 'The currency of the country is too contracted for its wants, and our business is to apply a remedy.' He had then forced an addition to the circulation of four million pounds upon exchequer bills, in the shape of an advance from the Bank to Government, and had postponed the operation of the small note repeal bill from 1825 to 1833; and again as before, in the year 1826, the price of wheat had risen to 68*s*., and comparative prosperity had ensued."

on the 10th October of each year, and the numbers for the four years ending in 1823 stand thus:—

1820	-	-	3,574,894
1821	-	-	3,987,582
1822	-	-	4,217,241
1823	-	-	4,657,589

If, therefore, the stamps issued were the criterion of the amount, it would appear that the circulation in 1822 was larger, while the price of wheat was considerably lower, than in 1820. But the computation by Mr. Sedgwick, of the Stamp-office, supposes the amount in circulation to have been—

1820	-	-	£11,767,391
1821	-	-	8,414,281
1822	-	-	8,067,260
1823	-	-	8,798,277

This computation, however, founded on the stamps issued, besides being, for reasons before stated, not at all to be relied upon *, does not give the period of each year in which the alteration in the amount took place. If it is assumed to have taken place at about the period of the issue of new stamps, viz. 10th October, it will follow that the first increase was in October, 1823, consequently *after* the rise in the price of wheat, which took place in the early part of that year.

And, independently of this computation, it might be inferred, that the improvement of the markets for grain, and consequently of the condition of the

* Mr. Samuel Gurney, in his evidence before the Bank Charter Committee, was asked, "Do you think, that from the amount of stamps any accurate calculation can be formed?"—Answer. "I think it is a fallacious guide."—"Why fallacious?" "Because there is a continual waste upon them. A country banker may have a large amount of notes that are stamped, and a small proportion of them only in circulation."

Of the extravagance of exaggeration of the amount of country notes, at particular periods, derived from the computation founded on the stamps, the extreme variation between particular years would of itself afford a very strong presumption; and if it were worth following out into all its consequences, would lead to the most glaring incongruities.

farmers, the causes of which have been described, would be followed by an increase of the country circulation. But, according to the best authority extant, it appears doubtful whether there was any increase at all in the issues of the country banks in 1823, as compared with 1822.

Mr. Henry Burgess, who, as secretary to the committee of country bankers, was one of the witnesses examined by the Committee of the House of Commons on the Bank Charter in 1832, gave a statement of the relative increase or decrease of the circulation of 122 banks in England and Wales, from the year 1818 to 1825, showing the comparative amount in each year, assuming the amount in 1818 to be designated as 100.

* The general result is thus stated: —

	£	Difference.	£ s. d.		
1818	12,200				
1819	11,991	209 being	1 15	0	per cent. decrease from 1818.
1820	11,487	713	5 16	10½	
1821	11,352	848	6 19	0	
1822	10,778	1422	11 13	1¼	
1823	10,748	1452	11 18	0¼	
1824	11,640	560	4 11	9	
1825	12,478	278	2 5	6¾	increase over 1818.

As the means of information possessed by Mr. Burgess on this point were the best probably that the nature of the subject admitted of, the above statement is entitled to carry great weight. According to that statement, the lowest period of the country circulation was in 1823.

But the statement of Mr. Burgess, independently of the strong presumption which it affords in the

* Mr. Burgess was asked, "What proportion do you think the 122 bear to the principal banks in England and Wales?" "I should think, one third."—"Have you any idea what proportion of the whole issues belong to those 122 banks?" "I should think much more than one third."—"Should you think that the account of these 122 bankers gives a fair view of the operations of the whole body of the country bankers of England and Wales?" "Perfectly fair."—"And you think the general result, drawn from this scale, would correspond with the result of all the bankers of England and Wales, if you had returns from them?" "I think it would with great accuracy."

negative of the supposed increase of country bank notes in 1823, is of importance as corroborative of other grounds for believing that all the computations hitherto made of the country circulation from the stamps issued, have enormously overrated both the amounts in particular years, and the variations from one year to another.

Indeed, the discrepancy in the latter point between Mr. Sedgwick's computation and Mr. Burgess's is most striking; for, according to Mr. Sedgwick's statement, the reduction in 1822, compared with 1820, is upwards of 30 per cent., while Mr. Burgess, upon data infinitely more probable, makes the difference little more than 6 per cent. There can hardly be a question, it is presumed, after this statement, that there was no such enlargement of the country circulation as to have caused the rise of corn in 1823.

Not only, however, are the facts here stated decisive against the hypothesis of an enlarged issue of paper as a principal if not the only cause of the rise of the price of corn in 1823, but, if the direct proofs to that effect had not been so clear as they are, a strong presumption against the imputed influence of an enlarged circulation would be afforded by the circumstance, which will be more distinctly noticed a few pages hence, that while corn was rising in 1823, and in the early part of 1824, most other descriptions of produce were falling. And having seen, at the same time, that the circumstances immediately affecting the actual and prospective supply of corn were such as fully to account for the variations of prices in 1823, we may safely pronounce the currency theory of those variations to be wholly and, in every part of it, utterly unfounded. We shall now proceed to examine the causes of the variations of the prices of corn during the remainder of the epoch proposed for consideration.

SECTION 2.—*Prices of agricultural Produce from* 1824 *to* 1827, *examined in Connection with the Circulation.*

In the commencement of 1824, a considerable advance took place in the price of corn, wheat especially, of which the crop of 1823, having been found to be deficient in quality and in quantity, in a degree beyond the previous estimates*, rose rapidly, the average price having advanced to 59*s.* 8*d.* in January, and to 65*s.* 10*d.* in February, 1824. And as this advance was accompanied by an increase of Bank notes, the rise is as usual, according to the received theory, ascribed to that increase.

The average of Bank notes of 5*l.* and upwards was, for the quarters ending

	£	Price of Wheat.
31st Dec. 1823,	18,603,210	52*s.* 8*d.*
31st March 1824,	19,174,890	65*s.* 10*d.*

Here then again it may be said is a clear case of cause and effect.

But in this, as in former instances, the facts of the case, if pursued, are destructive of the theory in question. If the increase of Bank notes raised the prices, a farther increase ought to have sustained, if not farther to have advanced them. But there was an increase of Bank notes in the following six months, during which the price fell upwards

* As a proof how inferior the crop of 1823 had proved in quality as well as quantity, it may be sufficient to refer to the quotations in Mark Lane, in January, 1824, namely, for

New Wheat, - - - 48*s.* to 63*s.*
Old ditto, - - - 55*s.* to 78*s.*

And, according to Messrs. Cropper, Benson, and Co.'s survey, the yield of that crop was computed to be short of an average in the proportion of 27 to 32, which, estimating an average crop to be about twelve millions of quarters, would make the deficiency nearly two millions of quarters.

of 10*s.* the quarter, the average for September being 55*s.* 4*d.* Thus, for the quarter ending

	Bank Notes.	Price of Wheat.
30th June 1824,	£19,442,730	62*s.* 5*d.*
30th Sept. —	20,177,820	54*s.* 6*d.*

At the same time, even admitting that the rise in January and February, 1824, had been the effect exclusively of an increase of Bank paper, that increase was not commensurate with the increase of bullion, which in January, 1824, had reached the enormous amount of 14,200,000*l.* If the act of 1822, for prolonging the circulation of the country small notes, had not been passed, and sovereigns had been substituted for those notes, the Bank treasure would still have been in a fair proportion to its liabilities, there would have been the same quantity of money in circulation, prices would have been just as they were, and we should have heard nothing of the tampering with the currency in 1822 (objectionable as that measure was on other grounds), as the cause of the rise in the price of provisions in 1823 and 1824. It is clear, therefore, that the same argument by which the negative has been established, of the supposed influence of a designed enlargement of paper in producing the rise in the price of corn in 1823, is equally applicable to the renewed rise here noticed in the first quarter of 1824.

After the rise of the price of wheat to 65*s.* 10*d.* in the early part of 1824, it was discovered, by the large supplies from the farmers, that, although the crops of 1823 had on all hands been allowed to be deficient, yet, with the old stock from previous years, it was adequate to supply the consumption at its ordinary rate till after the ensuing harvest. A conviction of this kind, when there is no ground for speculation upon the coming crops, is always attended with dull and drooping markets; and there was, as we have seen, a progressive fall of upwards

of 10*s.* per quarter in the six months following, namely, to 55*s.* 4*d.* in September, 1824.

The weather, however, during the harvest of 1824, was unsettled; and the latter part of it, in the more northern districts especially, was remarkably wet. The produce was, according to all reports, again deficient.* The stock on hand had in the interval been further reduced, there being no longer, as heretofore, samples of wheat of three or four years old at market. Under these circumstances, an advance of price, after the harvest of 1824, proceeded upon perfectly reasonable and adequate grounds. And it is a very strong presumption that the corn market at that time was not influenced by the prevailing spirit of speculation, that the rise was so moderate in the spring of 1825, viz. to 67*s.* 6*d.* for wheat, being only 2*s.* higher than it had been a twelvemonth before, when there had been still a considerable old stock, and when the markets for commodities had been in a quiescent state.

The agitation of the question of the corn laws, in the spring of 1825, contributed probably among other causes to preserve the corn market from the effects of the spirit of speculation which then prevailed in other branches of trade. But such was the general impression of the progressive reduction of the old stock of grain, and of our consequent increasing dependence on the produce of the forthcoming harvest, that, notwithstanding the admission in April of 525,231 quarters of foreign wheat for home consumption, at a duty of 10*s.* the quarter, the price did not fall below 68*s.* the quarter till the commencement of an unusually early and a promising harvest.† It was not till after the crops in the

* Independently of the injury sustained by the wet weather in harvesting, the crops were supposed to have suffered from very heavy rains, followed by cold winds, in the latter part of May.

† The season of 1825 presented nothing remarkable in the winter and spring of either severity or mildness; but the summer proved to be very fine, dry and hot, and so continued, except-

great corn districts were secured in good condition, and found to be productive, that the price gave way at all, and then very slowly. But while, after the harvest of 1825, wheat fell, although slowly, all other grain, of which the produce was comparatively deficient, rose in price, as will be seen by the following statement. Aggregate average of the six weeks ending

	Dec. 1824.		Mar. 1825.		Dec. 1825.	
	s.	d.	s.	d.	s.	d.
Wheat	63	6	69	1	64	4
Barley	40	3	38	11	41	2
Oats	23	4	24	8	26	8
Rye	38	4	39	7	44	1
Beans	40	7	37	2	45	9
Peas	47	7	39	9	48	10

Hence it will appear that, notwithstanding the great contraction of the circulation of the whole kingdom during the last six weeks of 1825, the price of all grain, wheat excepted (of which there had been a large admission of foreign), was higher than it had been during the excitement and speculations of the first three months of that year. The prices of meat, too, appear to have been uninfluenced by the state of discredit, and the great pressure on the money market, at the close of 1825, inasmuch as the quotations were then within the merest trifle as high as they had been in the spring of that year.*

In the first three months of 1826, the price of

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ing a few beneficial showers in August, till the securing of the crops in good order throughout the kingdom. The wheat harvest was general in the home districts, in the latter part of July.

* The following prices of the best meat in Smithfield Market are from the "Farmer's Journal."

	Beef per Stone.						Mutton per Stone.					
	Highest.		Lowest.		Mean.		Highest.		Lowest.		Mean.	
	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.
Last Quarter of 1824	4	10	4	0	4	5	5	0	4	2	4	7
First Quarter of 1825	5	2	4	10	5	0	6	0	5	0	5	6
Last Quarter of 1825	5	4	4	8	5	0	5	4	5	0	5	2

wheat fell from an average of 60*s.* in January, to 55*s.* 6*d.* in March. This decline might be owing, in some degree, to the state of discredit, and to the great pressure for money which was then felt; but it was in a greater degree apparently owing to the apprehension which was then generally entertained, that the wheat in bond would be liberated, as had been done in the spring before, at a low duty. There is reason to believe that the latter was the preponderating cause, inasmuch as, upon a declaration made by ministers in parliament, in the early part of the session, that there was no intention of admitting the wheat then in bond, the average price rose in April to 60*s.* This, in the distressed state of the manufacturing population, was a high price; and other descriptions of food were still higher in proportion. But, under the uncertain prospect of the coming crops, the appearance of which in the spring was not promising, and the conviction of a greatly diminished stock on hand, apprehensions were entertained of a further advance. As a measure therefore of immediate relief, as well as with a view to allay the complaints of the working classes, which were becoming very loud, and were breaking out into acts of violence in some of the manufacturing districts, government, contrary to its former expressed determination, proposed to parliament, on the 1st of May, 1826, the release of all the corn then in bond. And ministers further proposed, as a precaution against the contingency of an unfavourable harvest, to be invested with discretionary powers to admit, during the recess of parliament, such additional quantity, not exceeding 500,000 quarters, as circumstances might dictate. An intimation was at the same time given of the intention of government to propose early in the following session of parliament an essential change in the corn laws, involving a great relaxation of the prohibitory part of the system.

These measures coinciding with a depressed state of credit, and followed as they were by a remarkably early harvest*, of which the wheat crops were computed to be somewhat above an average in quantity, and secured in the best condition, had the effect of keeping down the price of wheat, which ranged from 58*s.* to 55*s.* during the remainder of 1826. But, while the wheat crop had been favoured by the hot and burning summer of that year, all other grain and the leguminous products had suffered from the drought, and were greatly deficient; insomuch that government authorised, by an order in council, 1st September, 1826, the admission of oats, at a duty of 2*s.* per quarter, and of rye, peas, and beans, at a duty of 3*s.* 6*d.*, the order to continue in force for forty days from the next meeting of parliament. The averages at the close of the year were, for

	s.	*d.*
Wheat	58	1
Barley	38	0
Oats	31	4
Beans	52	8
Peas	54	6

Here we have the prices of oats and beans and peas higher in 1826, during a restricted state of the general circulation, and after notice of the approaching suppression of the country small notes, and after the admission of a large foreign supply, than they had been during the enlarged circulation of the spring of 1825.

And, even with regard to wheat, notwithstanding the depressing circumstances of the times—not-

* The winter of 1825–6 was rather colder than the preceding one, but, with the exception of ten days of sharp frost in January, not very severely so. The spring following was rather ungenial, being cold and dry till the latter end of May, when there were some heavy warm rains, followed by brilliantly fine weather, which set in early in June, and continued uninterruptedly hot and dry till the first week in September.

withstanding the approaching suppression of the small note country circulation, and the prospect, amounting almost to a certainty, that the stock in bond, which had been imported in 1826, to an extent of upwards of 500,000 quarters, would be admitted for home consumption before the following harvest, the price rose to 60*s.* in July, 1827.

The crops of 1827 * were computed to have yielded a full average of all grain, in point of quantity; but the wheat, in condition and quality, was greatly inferior to the crop of the preceding year.

As soon as it was ascertained that the produce of 1827 was not decidedly deficient, and that there was consequently no probability of any immediate advance of price, the greater part of the wheat and flour which was in bond, amounting to 572,733 quarters, was entered for home consumption, under the provisions of Mr. Canning's bill, at a duty exceeding 20*s.* per quarter. This admission of a foreign supply at a time when our own crops had been secured in sufficient quantity, as it was estimated, to meet the ordinary rate of consumption till the following harvest, was naturally calculated to depress the markets. The average price accordingly then declined progressively, till it reached its lowest point of depression in December following, namely, 49*s.* the Winchester quarter. But this fall took place, not only without any coincident

* The winter of 1826–7 was rather colder than either of the two preceding winters, but still not of a character of remarkable severity. The spring following presented nothing unusual. The summer was cold and dry; the harvest backwarder than in the two preceding seasons, and in its progress was attended with unsettled weather, especially in the northern division of the island.

In consequence of the succession of two seasons marked by a prevalence of drought, the price of meat in the spring of 1827 was relatively high, the quotations in Smithfield being —

Beef,	- -	4*s.* 4*d.* to 5*s.* 6*d.* per stone.
Mutton,	- -	4*s.* 5*d* to 6*s.* do.

contraction of Bank issues*, but was accompanied by an increase of them. Credit had been restored, and the general circulation had been consequently greatly enlarged, more especially as compared with the autumn of 1825, when the prices of wheat, and of corn generally, were from 20 to 30 per cent. higher than in the last six months of 1827. If the facts here adduced should not be deemed sufficient, they might be multiplied without end, in proof of the utter want of connection, in the relation of cause and effect, between the state of the corn markets and the state of the circulation, from the commencement of 1823 to the close of 1827.

While, however, in these variations so little influence of the currency is perceptible, we may distinctly trace the operation of the corn laws. If the law of 1815 had been rigidly enforced, and if the relaxation of it, by the admission of foreign corn into consumption in 1825, 1826, and 1827, had not taken place, the price of wheat in 1826 and 1827 † must inevitably have ranged from 70*s.* to 80*s.*, supposing the public to have submitted to so grievous a monopoly price. Thus, while all other productions were at greatly reduced prices, and still falling, we should have seen the prices of corn rising, so as to constitute a severe dearth. And no possible ingenuity could, in that case, have reconciled the state of the corn markets with the state of the circulation consistently with the operation ascribed by the currency doctrine to Peel's bill.

On the other hand, as the crops on the Continent, in the period under consideration, appear to have been more abundant than they were in this country,

* Notes in circulation, average of the months —

Dec.	1825,	£19,748,840
	1827,	20,762,380

† The total quantities of foreign grain and meal admitted for home consumption, in the two years, 1826 and 1827, amounted to no less than 5,083,659 quarters.

those of 1823 and 1824 more especially, there would, if our ports had then been open at a low fixed duty, have been large importations, which would have been attended with important consequences in a two-fold point of view. The prices of grain would not have risen as they did between 1822 and 1827, and there would not have been such an accumulation of gold in the coffers of the Bank in 1823 and 1824, as induced and emboldened the directors to enter into engagements for enlarging their securities to such an extent as brought that establishment into the critical position in which it stood at the close of 1825. It is, indeed, clear, almost to demonstration, that it was by the corn laws, combined with the state of the crops, and not at all by the circulation, that the prices of grain were influenced in the interval from 1822 to 1827. Nay, farther, that not only was the circulation not the cause of the variations in the prices of corn in that interval, but that the prices of corn under our monopoly system exercised a considerable influence, in that interval, on the state of the circulation.

SECTION 3.—*State of Markets for Produce and Commodities other than Corn, from* 1823 *to* 1825.

In the early part of 1823 the entrance of the armies of France into Spain, giving rise to the apprehension of a general war in Europe, caused a speculative advance in the prices of colonial produce, and of some other commodities of which the cost of production was likely to be raised, or the supplies obstructed, by such an event. Coffee and sugar, and several other articles, were supposed to be likely to be so affected, and experienced therefore a considerable rise of price in the three first

months of 1823. But, when it was found that the government of this country did not interfere to prevent the occupation of Spain by the armies of France, and that consequently there was no longer any ground for apprehension of a general war, the markets for those articles relapsed to their former state.

Later in the season, a speculation in cotton, and consequent advance of prices, occurred, on the ground that the reduced stock on hand, with the computed probable importation, was likely, according to the estimates then formed, to fall short of the rate of consumption. But the importations proved to be beyond the estimated quantity, while the consumption appeared to have been checked, and prices soon subsided to the state from which they had been speculatively raised.

With these exceptions, and other isolated speculations of less note, attended by the same result, *the prices of goods generally were either stationary or dull and drooping through the first six months, and in some cases (the important article of coffee for instance), till the close of* 1824. This dull and drooping state of markets for nearly all descriptions of goods, which prevailed more or less in the last six months of 1823, and the first six months of 1824, while the corn markets, although fluctuating, were at a comparatively high range, appears to have been lost sight of in all the speeches and pamphlets referring to that period. The impression universally prevalent seems to be, that an excited and generally speculative tendency existed in the markets for all other kinds of produce as well as corn, commencing in 1823, and proceeding with only occasional oscillations till the summer of 1825. And this impression is calculated to favour the theory which ascribes to an enlargement of the currency the whole of that rise of prices. But the real state of facts is wholly at variance with this impression.

In most of the great branches of trade there prevailed, in the latter part of 1823, and the greater part of 1824, a general character of prudence and sobriety, without any apparent resort to an undue extension of credit. There was still at this time a prevalence of the caution which had been taught and enforced among the commercial classes by the reverses and losses which had been sustained by the great fall of prices since 1818. Due attention was still paid to the most obvious elements of mercantile calculation; and, although there was an evident tendency to increased speculation, the objects for the exercise of it were selected with a considerable degree of care and sobriety. Goods had been imported or bought in the home market at the lowest prices, and with a practical knowledge of the grounds for estimating the actual and contingent supply, compared with the probable consumption; and manufacturers had laid in their raw materials, and erected their machinery, on such terms as enabled them to supply both the foreign and the home market with wrought goods, which, although comparatively cheap, left a fair profit. The low prices of the raw materials, and the improvements of machinery, which had in a still greater proportion reduced the cost to the consumer, had greatly extended the consumption of most descriptions of manufactured articles both at home and abroad. And the trade and manufactures of the country had never before been in a more regular, sound, and satisfactory state than in the interval from 1821 to 1824.

At different periods in 1824, but chiefly towards the close of it, according as attention had been drawn to the actual and forthcoming supplies, it was observed that, in some of the leading articles, the rate of consumption was outrunning the actual and (as far as could be calculated) the contingent supply. An incentive was thus afforded to the

spirit of speculation, and as, on some former memorable occasions (such, more especially, as in 1808 and 1809, and in 1816 and 1817, when from casual scarcity or under-supply, occurring coincidently in several branches of trade, the markets assumed a decided upward tendency), the example of successful early purchases attracted general attention, and induced extensive imitation.

The closing months of the year are those in which, by annual custom, the stocks of goods on hand, and the prospects of supply and probable consumption for the coming season, are stated and reasoned upon by merchants and brokers in circular letters addressed to their correspondents and employers. By these circulars it appeared that, of some important articles, the stock on hand fell short of what it had been at the close of the preceding year. From this the conclusion was more or less plausibly deduced, that the rate of the annual consumption of those articles was outrunning the utmost actual and probable supply, and that an advance of price must necessarily be the consequence; not, however, considering that a great part of the increased consumption had been owing to the reduced price. At the same time there were, on the present occasion, in the case of some leading articles, such as cotton and silk, confident reports of failure of crops, or other causes which would infallibly diminish the forthcoming supply. Expectation of scarcity was thus combined with actual deficiency, in further exciting the spirit of speculation, which had been already roused, and to which, as will hereafter be seen, the state of the money market, or, in other words, the low rate of interest, afforded great facility.

The impulse to a rise of prices being thus given, and every succeeding purchaser having realised, or appearing to have the power of realising, a profit, a fresh inducement appeared, at every step of the advance, to bring forward new speculative

buyers. Accordingly, at the close of 1824, and the commencement of 1825, the example of early successful speculation had become infectious. The purchasers were no longer such only as were conversant with the market: many persons were induced to go out of their own line, and to embark their funds, or stretch their credit, with a view to engage in what was represented to them by the brokers as a certain means of realising great and immediate gains.

Cotton, from its importance, and from its affording, in the first instance, the fairest grounds for investment, became a prominent object of speculation, on the most extensive scale, and at exorbitant prices. Silk, wool, flax, and other articles, in which some advance was justified by the state of supply relatively to the consumption, became successively the subjects of a speculative anticipation, and advanced much beyond any reasonable bounds.

There then arose an impression that all purchases of goods were likely to answer. This impression was encouraged, if not produced, by the recommendations of the brokers to those to whom they had access. The following extract, from one of the commercial circulars in the latter part of 1824, will serve as a specimen of the inducements then held forth to speculation: —

"Commercial affairs have lately improved, and the following articles have advanced 10 to 25 per cent., viz. indigo, rice, gum, nutmegs, pepper, pimento, and other spices, &c., as noted in the value affixed to each respective article in the columns of prices. Speculators have shown an eager inclination to invest extensively in such articles as are low in price, or where the stocks have been reduced by regular deliveries for shipping or consumption; and the following we think deserving the attention of our speculative friends, as possessing some claims, either to the one character or the other, namely, safflower, saffron, pot and pearl ashes, resin, linseed, oil, coffee, cochineal, tallow, sugar, and opium; other articles equally favourable may be recommended; but the above occur to us at the moment as likely to afford a remunerative profit."

All the articles here enumerated, besides many others, became objects of speculative purchase.

Recommendations and incitements like these were aided by a reference to the following considerations. The steps in progress, preparatory to a recognition by our government of the South American states, had given rise to the most exaggerated expectations of an immediate extension of exports to those countries, while the chief returns from thence were looked for in the shape of the precious metals; the production of which, it was expected, would be rapidly extended by the application of improved machinery, and by the great outlay of British capital which was about being made in the American mines. From the various extensive projects for working those mines, the most brilliant results were anticipated. So sanguine on this head, indeed, were the views of persons otherwise well informed, that they believed and acted upon the belief of a diminished value of gold and silver, in consequence of the vast additional quantity which was speedily thus about to be raised. At the same time, independent of these anticipations, the remittances to South America of the very capital for the mining projects then afloat, as also for the loans raised in this country for those states, were made, in large part, in manufactures, besides mere stores and machinery; thus forming a great temporary increase of demand for manufactures. The flourishing accounts which, at the meeting of parliament, were officially announced of the finances, and of the general prosperity of the country, afforded scope for the most exaggerated views of rapid increase of consumption beyond what the production could keep pace with, unless at progressively advancing prices.

From these concurrent causes, the speculations in goods proceeded with extraordinary activity from the close of 1824 till an advanced period of the

spring following. The speculative anticipation of an advance was not confined to articles which presented a plausible ground for some rise, however small; it extended itself to articles which were not only not deficient in quantity, but which were actually in excess. Thus coffee, of which the stock was increased compared with former years, advanced 70 to 80 per cent. Spices rose, in some instances, 100 to 200 per cent., without any reason whatever, and with a total ignorance on the part of the operators of every thing connected with the relation of the supply to the consumption. In short, there was hardly any article of merchandise which did not participate in the rise; for it had become the business of the speculators, or the brokers who were interested in raising and keeping up prices, to look minutely through the general price currents, with a view to discover any article which had not advanced, in order to make it the subject of exaggerated demand. The extent of the rise of the articles which were the principal objects of speculation, will be seen by the statement, a few pages forward, of the fluctuation between 1824 and 1826.

The excitement here described reached its maximum in the first four months of 1825, there being few, if any, of the articles which had been the subject of speculation that had not attained their highest price before the end of April of that year.

It has been already observed, that the advance of prices, in its origin, was in a considerable degree justified by the reduced quantities, relatively to the estimated rate of consumption, of the principal commodities which had become the subject of speculation. And, if the speculations had been confined to the purchases with a view to re-sale at advanced prices of the goods on the spot, there would not have been anything like the extent of engagements that was eventually found to have

arisen out of them, nor the great revulsion of credit and the commercial failures which followed the turn of markets. The fact is, that in this case, as in 1808–9, and 1816–17, and in a recent and memorable instance in which the spirit of speculation had been, in the first instance, excited by a view of the reduction of stocks below the estimated rate of consumption, an exaggerated opinion of an increased rate of consumption and of a limitation of supply, induced engagements for purchases abroad, with a view to importations on a greatly enlarged scale; and the high prices, which could only be justified by their effect in eking out small stocks on the spot by a reduced rate of consumption, were extended to the forthcoming supplies, which were increased in quantity by those very prices which reduced the consumption.

Not only was this exaggeration of demand, compared with the supply, at high prices, the cause of increased importations, but it also operated temporarily in inducing increased exports. The reduced stocks of raw materials in this country, and the speculations thereupon, would, in most cases, be attended, in the first instance, with improved markets abroad for the manufactured goods into which those raw materials extend; and the improved markets abroad would give an impulse both to orders from thence, and to speculative shipments thither, beyond what would be found to be eventually carried off by consumption at the advanced prices. The transactions hence arising, and the engagements consequent upon them, might be, as, in fact, they were, entered into to a vast extent, long before any effect of them could be felt in the exchanges, or in the rate of interest, or in prices, or in the state of credit.

SECTION 4. — *Speculations in Foreign Loans and in Shares in* 1824 *and* 1825.

The speculations in foreign loans and in shares, which constituted so large a part in the general excitement which prevailed in 1824 and 1825, had, in their origin and progress, preceded, and, in point of extravagance, outrun those which have here been noticed as having taken place in the markets for goods. Various loans to the continental states of Europe had been negotiated in this country between 1817 and 1823; and all of these (with the exception of one to the Spanish government under the Cortes, which proved very ruinous to the subscribers) turned out eventually to be on a solid footing, the stipulated dividends being regularly paid. The stocks created by those loans participated only with our own government securities in the fluctuations incidental to all funded property whose estimation was not impaired by any apprehension of breach of faith or inability on the part of the government to pay the dividends.

The fall in the rate of interest in this country* had contributed to render all those investments in foreign stocks, with the exception of the Spanish, highly beneficial to the subscribers, and thus attracted attention and afforded inducements to that description of investment, which, accordingly, was

* The fall in the rate of interest is exemplified in the following comparative statement of the prices of the 3 per cent. consols (exclusive of the accruing dividend), and of the premium on exchequer bills: —

	3 per cent. Consols.	Premium on Exchequer Bills.
April 3. 1823,	73½	10*s.* to 12*s.*
July 1. —	80¾	21*s.* to 24*s.*
Oct. 3. —	82½	37*s.* to 40*s.*
Jan. 1. 1824,	86	51*s.* to 53*s.*
April 2.	94½	56*s.* to 58*s.*
Nov. —	96¼	60*s.*
Jan. 1825,	94½	68*s.*

entered into on a large scale. But the continued fall in the rate of interest had a further and more marked effect in determining capital to investment in foreign funds.*

The five per cents had, towards the close of 1822, been reduced to a four per cent. stock; and, early in 1824, the old four per cents were reduced to a three and a half per cent. stock. These financial operations were strictly in accordance with the conditions on which the loans were originally contracted, and the government would not have been justified in withholding from the public the benefit of that mode of reduction of charge for the public debt. But, by the individuals whose income was thus reduced, it was felt as a case of hardship; and those among them, more especially, whose mode of living was likely to be affected by such reduction, would naturally be more disposed than they otherwise would have been to resort to modes of investment attended with increased hazard, in return for the prospect of a much larger interest than that afforded by the funds of this country. It was a restlessness of feeling of this kind, combined with the facilities of the money market, or, in other words, with the fall in the general rate of interest, and with the too highly-coloured accounts of the resources and good faith of the states of South America, which gave occasion to the projects for loans to those states, and, at the same time, enabled the contractors to fill their lists. A considerable impulse to those projects, and to the eagerness with which they were entered into by the public, was given by the steps announced on the part of the government of this country, as preliminary to the formal recognition of the independence of the South American

* In the summer of 1822 the Bank reduced its rate of discount from 5 to 4 per cent.

states. Specious statements were held forth of the great resources and capabilities of revenue of those states; and assurances were held out, and believed, of the good faith and the power of the several governments to raise and appropriate the sums requisite for the payment of the dividends. The most sanguine expectations were entertained of the unbounded resources of those states, now that, being relieved from the trammels of the old Spanish government, those resources were about to be developed by a free commercial intercourse with this country.

The most flaming accounts were at the same time brought before the public of the productiveness of some of the principal mines of Mexico and South America, which had been temporarily abandoned during the civil wars in those countries, and which required, as was supposed, only the application of British capital and skill to render them more productive than ever.

In the early part of 1824, a very great variety of other projects were launched, all more or less favoured by the state of the money market. Of the several insurance companies which were started about this time, the Alliance British and Foreign Assurance Company, which had been brought out under the auspices of the late Mr. Rothschild, created the most sensation. No sooner had the prospectus been issued, than the shares rose to a very high premium.

The high premiums to which this and some of the earlier projects, whether for loans, for mining, insurance, or other joint stock companies, reached, served as incentives for the formation of new ones; and, provided the names of the directors were at all known, the subscriptions tendered were greatly beyond the amount which was professedly required.*

* The following extract from the Annual Register for 1824 gives a very detailed and correct account of the state of things

It is particularly worthy of remark, that this state of things existed in the early part of 1824, because it will have an important bearing on the question, which will be separately examined, how far the

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of that year, arising out of the disposition, on the part of the public, to enter into new schemes for the employment of capital: —

"The abundance of capital led to the formation of numerous joint-stock companies, directed, some of them, towards schemes of internal industry; others of them, towards speculations in distant countries. The mines of Mexico was a phrase which suggested to every imagination unbounded wealth; and these companies, — the Real del Monte Association, the United Mexican, and the Anglo-Mexican, — were formed for the purpose of extracting wealth from their bowels by English capital, machinery, and skill. Similar companies were formed, in the course of the year, for working the mines of Chili, of Brazil, of Peru, and of the provinces of the Rio de la Plata, and for prosecuting the pearl fishery on the coast of Columbia. So great was the rage for speculation, that, in the course of a very few weeks, in the early part of the year, the following undertakings, among others, were brought forward in London, and found subscriptions courting their acceptance: — The Alliance Fire and Life Insurance Company, with a capital of four millions; — The Palladium Fire and Life Insurance Company, with a capital of two millions; — The British Annuity Company, whose capital was three millions; — The Metropolitan Investment Company, with a capital of one million; — The Thames and Isis Navigation Company, with a capital of one hundred and twenty thousand pounds; — An Ale Brewery Association, with a capital of two hundred thousand pounds; — A Company for obtaining from Government a Grant of a Million of Acres of Land in New South Wales, and for improving the Growth of Wool; — An Association for the cutting a Canal across the Isthmus of Darien; — A Company for Navigating the Thames and Isis by Steam; — A New Dock Company, for Coals only. Many of the companies which were thus set on foot, were able, or conceived that they were able, to prosecute their objects effectually without deriving any sanction or special powers from the legislature. Others of them, and particularly such as were to have their sphere of operation at home, found it prudent or necessary to apply for private acts of parliament; so that, in the month of March, there were upwards of thirty bills before the House of Commons, for the purpose of giving legal existence to different companies of this kind. In all these speculations, only a small instalment, seldom exceeding 5 per cent., was paid at first; so that a very moderate rise on the prices of the shares produced a large profit on the

currency, as connected with the regulation of the issues of the Bank of England, was an originating or accessary cause of that state of things. Divested of any reference to the state of the circulation, the peculiar circumstances which have been detailed, as presenting fresh fields of enterprise, so tempting to the restless spirit of adventure which then prevailed, will go far to account for the eagerness with which new schemes of every kind were entered into. The same feverish state of the public mind, with a still increasing activity, prevailed, subject only to occasional intervals of abatement, or rather pauses, through the whole of 1824. The excitement reached its height in the first four months of 1825.

It was then that speculations in goods came in aid of speculations in foreign loans, and in shares of joint stock companies. And although, for the reasons stated, the markets for agricultural produce had not participated in the spirit of speculation which prevailed in the markets for other produce and for shares, the prices of provisions were, from the combined effect of the season and the corn laws, at a high range compared with what they had been at three years before.

There was accordingly, in the spring of 1825, an almost universal activity pervading nearly all

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sum actually invested. If, for instance, shares of 100*l*., on which 5*l*. had been paid, rose to a premium of 40*l*., this yielded on every share a profit equal to eight times the amount of the money which had been paid. This possibility of enormous profit by risking a small sum, was a bait too tempting to be resisted; all the gambling propensities of human nature were constantly solicited into action; and crowds of individuals of every description, — the credulous and the suspicious, — the crafty and the bold, — the raw and the experienced, — the intelligent and the ignorant, — princes, nobles, politicians, placemen, patriots, lawyers, physicians, divines, philosophers, poets, intermingled with women of all ranks and degrees — spinsters, wives, and widows — hastened to venture some portion of their property in schemes of which scarcely any thing was known except the name."

branches of industry, accompanied by all the outward and visible signs of prosperity which invariably mark periods of general excitement.* But

* The consummation of the effects of that excitement is described in the subjoined extract, from the Annual Register, which refers to the early part of 1825: —

"Nearly all property had risen greatly in pecuniary value, and every branch of internal industry was thriving. Agricultural distress had disappeared; the persons employed in the cotton and woollen manufactures were in full employment; the various departments of the iron trade were flourishing; on all sides new buildings were in the progress of erection; and money was so abundant, that men of enterprise, though without capital, found no difficulty in commanding funds for any plausible undertaking. This substantial and solid prosperity was stimulated to an additional extent, and was, in appearance, still further magnified, by the operation of the many joint-stock companies which had sprung into sudden existence in the former year. Some of these had put in motion a considerable quantity of industry, and increased the demand for various articles; and all of them, at their commencement, and for some time afterwards, tended to throw a certain sum of money into more active circulation, and to multiply the transfers of property from one hand to another. As these speculations still retained their popularity, the apparent prosperity arising from their artificial stimulus presented an imposing aspect. New companies were formed; day after day teemed with successive projects; and the shares of joint-stock companies not only sustained the absurdly high prices which they reached in the latter end of 1824, but even rose far higher. The madness which prevailed at this time cannot be shown more fairly or more conclusively than by the following statement, which specifies the amount of the instalments paid on each share, in five of the principal mining companies, and the market prices of these shares on the 10th of December, 1824, and the 11th of January respectively.

			Dec. 10.	Jan. 11.		
Anglo-Mexican,	100*l.*	10*l.*	paid. 33*l.* pr.	158*l.*	115*l.*	125*l.*
Brazilian,	100*l.*	10*l.*	do. 10*s.* dis.	66*l.*	70*l.*	44*l.* pr.
Colombian,	100*l.*	10*l.*	do. 19*l.* pr.	82*l.*	62*l.*	59*l.*
Real del Monte,	400*l.*	70*l.*	do. 550*l.* —	1350*l.*		
United Mexican,	40*l.*	10*l.*	do. 35*l.* —	155*l.*	115*l.*	125*l.*

"Some of these projects derived fresh popularity, and the general satisfaction with the measures of government was much increased, by an important step which was taken in fixing the foreign relations of the country.

"Mr. Canning made a formal communication to the foreign

the grounds for the great rise of prices in the markets, both for shares and for goods, were unsound, proceeding as they did upon incorrect information and exaggerated views, which had been allowed full scope by an undue enlargement and abuse of credit. The appearances, therefore, of prosperity proved to be delusive; and we have now to see the disastrous results of the overtrading which so remarkably distinguished the close of 1824, and the first few months of 1825.

Section 5.—*Fall of the Prices of Goods after the Spring of* 1825.

The speculations both in purchases of goods on the spot, and in overtrading in imports and exports, which had their origin mostly at the close of 1824, and continued through the greater part of the spring of 1825, terminated, in the course of the summer and autumn of that year, as such speculations commonly do terminate. The usual effects of prices driven up beyond the occasion soon manifested themselves in diminished demand *, and

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minister accredited to our court, in which he stated, 'That, in consequence of the repeated failures of the applications of his Majesty's government to the court of Spain, relative to the recognition of the independent states of South America, his Majesty has come to a determination to appoint chargés d'affaires to the states of Colombia, Mexico, and Buenos Ayres; and to enter into treaties of commerce with those respective states on the basis of the recognition of their independence.' This measure, beneficial and popular in itself, was the more acceptable, because it was justly deemed prophetic of the course which would be adopted with regard to Chili, Peru, and Guatimala, as soon as stable governments should be created in those countries."

* The demand, on such occasions, is diminished in a greater degree than the actual consumption. When the conviction is once established, that there is an approaching relief, by a fresh importation, from the existing deficiency of supply, the manu-

in advices of forthcoming supplies, large beyond the utmost previous computations. In the instance of several descriptions of produce, not only was the importation larger than on any former occasion, but supplies came in considerable quantities from new sources; or comparatively insignificant sources were greatly enlarged.*

Thus, to small stocks of goods had succeeded overwhelming importations, some of them from unusual sources; and a consequent accumulation beyond the utmost computed rate of consumption. At the same time there was a diminished export, most articles having risen beyond the price which the foreign consumer could or would afford to pay for them. But, as has been remarked, with refer-

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facturers and the dealers, both wholesale and retail, limit their purchases to merely what is absolutely necessary. The manufacturers work up, and the dealers and shopkeepers run off, their previously accumulated stocks, before they buy afresh; and this they do only, as it is termed, from hand to mouth. There is, in such cases, a postponement of demand, as, under the opposite circumstances of apprehended scarcity and rising markets, an anticipation of demand. And the difference between a postponed and anticipated demand, ought to be taken into account in all statements of quantities on hand, as compared with the rate of consumption.

* Thus, in the instance of cotton, the quantity which previously to 1824 had been imported from Egypt into this country was perfectly insignificant, reached in 1825 to 20,000,000 lbs. And the effect on opinion of the sudden increase from this source, was greater than the mere quantity relatively to the total supply, inasmuch as it operated on the minds of buyers, as opening a great and indefinite source of supply at a reduced cost. The excess of supply in 1825, of this and other raw materials of our principal manufactures, will be seen by the following comparative statement: —

Years.	Cotton.	Wool.	Raw Silk.	Flax.	Tallow.	Linseed.
	lbs.	lbs.	lbs.	cwt.	cwt.	bushels.
1822	142,837,628	19,058,080	2,060,292	610,106	805,238	1,413,450
1823	191,402,503	19,366,725	2,453,166	553,937	830,271	1,662,456
1824	149,380,122	22,564,485	3,051,979	742,531	680,382	2,195,093
1825	228,005,291	43,816,966	2,855,792	1,055,233	1,164,037	2,888,247

ence to former instances of a recoil of markets, from speculation and overtrading, there was a pause, and a resistance, of greater or less duration, to the fall; the greater or less resistance depending upon the nature of the articles, and the time in which the engagements for payment fell due.

The tendency downwards of most articles was manifest before the summer of 1825. The principal overtrading in goods, combining the extent of engagements with advance of prices, had occurred in the article of cotton, which is the most important of all others, as regards the magnitude of the capital embarked, and the interests involved in it. And in this article the reaction was first felt. Considerable failures, connected with the cotton trade, occurred in the United States, in the latter end of 1825. These were felt chiefly in Liverpool, where the commercial discredit preceded that of the metropolis. But the full effect of the depressing causes was not experienced till the spring of 1826; and it was not till then that failures and discredit of mercantile establishments became extensive and important.

The whole of the great fluctuations of the prices of goods were confined to the interval from the last few weeks of 1824 to June, 1826.

It may be requisite here to repeat, being a circumstance which will be found to be of importance in considering the question of the influence of the amount of the circulation on these fluctuations of prices, that the markets for almost every description of produce were dull and drooping till the summer, and, in several instances, till the autumn, of 1824; and that it was not till the close of that year that anything like a spirit of general speculation in produce of various kinds arose.

The following Table will exhibit some of the most prominent among the Instances of Fluctuation from the Summer of 1824 *to the Summer of* 1826.

	July to Nov. 1824.	Dec. 1824, to June, 1825.	Jan. to June, 1826.
Cotton.—Bowed Georgia - per lb.	7½*d.* to 9*d.*	16*d.* to 18½*d.*	6⅛*d.* to 7⅛*d.*
East India - - —	5*d.* to 6¾*d.*	10*d.* to 13*d.*	4*d.* to 5*d.*
Cochineal - - - —	16*s.* to 19*s.*	21*s.* to 24*s.*	13*s.* 6*d.* to 15*s.* 6*d.*
Indigo.—East India (super.) —	10*s.* 4*d.* to 12*s.* 10*d.*	12*s.* to 16*s.*	7*s.* to 11*s.*
Spices.—Cinnamon - - —	6*s.* 9*d.* to 7*s.*	11*s.* 6*d.* to 12*s.*	6*s.* to 6*s.* 9*d.*
Mace - - —	4*s.* 8*d.* to 5*s.* 10*d.*	13*s.* to 18*s.*	5*s.* 6*d.* to 6*s.* 6*d.*
Nutmegs - - —	2*s.* 8*d.* to 5*s.* 8*d.*	8*s.* to 12*s.*	3*s.* 6*d.* to 5*s.*
Pepper - —	5½*d.* to 6*d.*	8*d.* to 8½*d.*	4½*d.* to 5¼*d.*
Tobacco.—Virg. (ord. and mid.) —	2*d.* to 7*d.*	3*d.* to 9*d.*	3*d.* to 8½*d.*
Silk.—China, raw - - —	16*s.* 6*d.* to 23*s.*	18*s.* to 29*s.* 10*d.*	13*s.* 3*d.* to 16*s.*
Sugar.—B. P. (gaz. aver.) per cwt.	29*s.* 11¾*d.*	41*s.* 5*d.*	28*s.* 9¼*d.*
White Havannah - —	35*s.* to 40*s.*	49*s.* to 55*s.*	38*s.* to 42*s.*
Coffee.—St. Domingo - —	58*s.* to 60*s.*	76*s.* to 79*s.*	47*s.* to 49*s.*
Saltpetre - - - —	19*s.* to 20*s.*	34*s.* to 36*s.*	22*s.* to 24*s.*
Tallow - - - - —	31*s.* to 32*s.*	42*s.* to 43*s.*	31*s.* to 32*s.*
Iron.—British, in pigs - per ton.	6*l.* to 7*l.*	11*l.* to 12*l.*	8*l.* to 9*l.*
Lead - - - - —	23*l.*	30*l.*	22*l.*
Spelter - - - - —	20*l.* 10*s.*	41*l.* 15*s.*	26*l.*

SECTION 6.—*Recoil of Markets for Loans and Shares after the Spring of* 1825.

The recoil from speculations in loans and shares so entered into, and from premiums so extravagantly run up, as they had been in the spring of 1825, was inevitable. The process by which the fall took place is simple and obvious: —As regarded the schemes, a more accurate appreciation of a greater outlay, and of smaller returns, than had been before anticipated; and a limitation of the demand for investment in them, to such persons only as could afford to depend upon remote contingencies for an income, where any income was to be expected: above all, a general deficiency of means among the subscribers to pay up the succeeding instalments, as they had relied for the most part upon a continued rise, to enable them to realise a profit before another instalment should be called for, or upon the same facility as had before existed, of raising money for the purpose at a low rate of interest; — and, as applied to foreign loans, the absence of security for some of them, and the rise of the rate of interest in this country, which had the same depressing effect upon all of them. It is to be considered that the greater part of the transfers of the original shares in the foreign loans, and in the new schemes, while the payments on them were light, and while confidence was still entire, were carried on by a medium engendered in a great degree by those very transactions; and that the profits realised or anticipated by the successive shareholders, afforded a fund of additional credit, as well as of nominal capital, with which they might and did appear as purchasers of other objects of exchange. But as new loans and schemes were successively brought forward on grounds more or less specious, all tending to the additional absorption of capital,

while the increasing calls, with the high premium payable on the former loans and schemes, were beginning to press upon the shareholders, the weakest, in the first instance, would endeavour to realise without any longer finding ready buyers. A pause naturally ensued: and, under such circumstances, a pause is generally fatal to projects that do not proceed on solid grounds.

As regarded the majority of the loans and schemes here alluded to, it was soon discovered, that while the calls for payments were immediate and pressing, the prospect of returns was become more remote and uncertain; doubts too began soon to arise as to there being sufficient security for *any* income. Accordingly, after the greatest elevation in January and February, 1825, there was a pause in the first instance, then a slight decline, and, after a few weeks, namely, in the May and June following, a rapid decline.

The South American loans entailed a loss of nearly the whole of the sums subscribed, there having been no dividends beyond a small part retained and paid back under the name of dividends. And the Mexican and South American mining subscriptions, with only one or two exceptions, proved to be a total loss of the capital paid. Of the other schemes, some few, which were undertaken on fair and solid grounds, survived; but a large proportion were abandoned, at a sacrifice of the greater part, if not the whole, of the deposits and first payments. The losses thus sustained were severely felt in the fortunes of individuals unconnected with trade; but they likewise entered largely into the causes of the banking and commercial failures which followed.

SECTION 7. — *Commercial Discredit and Pressure on the Money Market following the Spring of 1825.*

From the combined effects of the great fall which thus took place in the markets for goods, and in the value of shares in the various loans and schemes, there was a rapid transition, from unbounded credit and confidence to general discredit and distrust.

In a pamphlet of mine on the currency, in January, 1826, a description was given, while the impression was fresh, of some of the phenomena of the state of credit at that time. Referring to the contraction of the circulation, in consequence of the failures of country banks, the following remarks occurred: —

"The issues of many of these banks had been greatly extended, without any adequate reserve of available funds to meet such sudden demands as it is of the very essence of the principles of banking to contemplate and provide for. It appears, by the disclosures arising out of the late disastrous and unprecedentedly numerous failures, that several of the banks had been, for some time before, insolvent, and had been kept afloat merely by the confidence of their customers, and the facilities of the money market, which had accompanied the increase of the Bank of England issues during the high prices. The first breath of suspicion, and the smallest reduction of their accustomed accommodation, were sufficient to sweep away this description of circulation of paper. It has been discovered, moreover, that several of the country banks, which were solvent, as far as related to the power of eventually liquidating their engagements *, had not been con-

* The number of those that were eventually found to be solvent, proved to be in a larger proportion than was supposed when the above was written.

ducted on correct banking principles, having a very inadequate reserve in an available and immediately convertible form.

"Some, too, of the London banks had carried on an extensive business with very insufficient available resources, and were, therefore, liable to be run upon on the occurrence of any general discredit. One of the most considerable of these (the house of Pole and Co.), after struggling through difficulties for upwards of a week, stopped payment early in December (1825). The notoriety of these difficulties in the first instance, and the eventual failure, diminished the resources of the country connexions of this firm; and such of them as had not independent, ample, and immediately convertible funds, were under the necessity of suspending their payments; thus adding to the alarm which was already prevalent. The consternation now became general, not only among the holders of local notes, but among depositors, as well in the metropolis as in the country. There was, in consequence, a severe run upon several of the London bankers, of whom three or four, besides the one before alluded to, suspended their payments. The panic was then at its height; nearly seventy banks, in town and country, suspended their payments in the course of the single month of December last (1825). Bank of England notes and gold were almost the only medium which would then be accepted in payment throughout the country; but

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Sir M. W. Ridley said in the House of Commons, 3d June, 1828, that "in 1825 and 1826 there were 770 country bankers, and of these sixty-three had stopped payment. Out of the sixty-three, twenty-three had subsequently resumed their payments, and paid 20*s.* in the pound; and of the remainder, thirty-one were making arrangements for the payment of their debts, and there was a great hope that every farthing would be paid. The country bankers who had failed in 1826, had paid, on an average, 17*s.* 6*d.* in the pound."

Bank of England notes, where even they were taken as readily as gold, could not supply the chasm created by the discredit of the local paper, since the Bank had ceased to issue one pound notes; gold, therefore, was required specifically for this as well as for the more general purposes of meeting the demand from want of confidence in the paper.

The drain upon the Bank coffers for gold, for internal purposes, was, from these causes, so great, that, following a previous drain for exportation, doubts were entertained whether cash payments could be continued. Happily, the public escaped the calamity of a second suspension. The contraction which had taken place in the circulating medium, by the destruction of nearly all the country paper, and the cessation of almost all transactions on credit, and the detention of sums for the purpose of increased reserves by bankers and others, was greater, perhaps, than had ever before occurred, notwithstanding that an enlarged issue of Bank of England notes had been made through the medium of extended discounts of mercantile bills; and this contraction was at length effectual in occasioning an influx of gold sufficient to place the Bank out of immediate danger. In the mean time, it had issued a few one pound notes, to supply the urgent wants of the country circulation.*

"Under the circumstances which have here been very hastily and imperfectly sketched, a melancholy

* A box containing about 600,000*l.* or 700,000*l.* of one pound notes, which had been put aside unused, had been discovered, by an accident, it is said, in the possession of the Bank; and these were immediately issued, in the week ending the 24th December, 1825. The relief afforded by this issue was very seasonable; but it may be doubted whether it was so essential as has been supposed, in preserving the Bank from suspension, because the severest part of the run for gold seems to have been over in the week preceding the issue. At the same time, if it was essential, it makes the position of the Bank only the more humiliating, inasmuch as its preservation was owing to an accident, which partakes of the nature of the marvellous or miraculous.

exemplification has been afforded of the mode in which extremes produce their opposites; in which unbounded confidence, and all the delusion of unfounded anticipation, have been succeeded by distrust and dismay.

"To the great facility which only a few months before had been experienced by speculators, projectors, and adventurers of every kind, in raising whatever sums they might require at the shortest notice, and at a low rate of interest, on securities of goods, on mortgages, or on bills of whatever length of date, or on mere personal credit, the most signal contrast was exhibited, of an utter inability to raise money upon any but the best and most convertible securities. Goods became unsaleable, beyond the immediate and urgent wants of the consumers, so that the stocks which are usually held in anticipation of demand, were wholly unavailable to meet the pecuniary engagements of the holders. Thus, many merchants having accepted bills for only half the invoice amount of wool, cotton, and silk, coming to their consignment, were unable to realise even that half by sales, or by advances on the security of the bill of lading; and not only no further advances could be obtained by way of loan on the security of goods, but the advances already made were peremptorily called in. Advances on mortgage, owing to the usury law *,

* The operation of the usury law may be distinctly traced in a great aggravation of the distress among merchants and bankers during that critical period. Had it not been for that preposterous law, many individuals would, in all probability, have been enabled to obtain immediate relief, by getting bills, which were not within the bank time, discounted at 7 or 8 per cent.; but those who would have lent on that kind of security, if not limited to 5 per cent., naturally directed their disposable capital to such modes of investment as admitted of their realising a larger interest without coming under the operation of that law. Thus numbers, who would gladly have given an advanced rate of 8 or 10 per cent., were driven, by an enactment which was absurdly intended as a protection to them,

were wholly out of the question. From the same cause, viz., the value of the use of monied capital having risen beyond the rate of 5 per cent., which has been imposed by law as the maximum, no bills, however good in point of security, were convertible, which had longer to run than ninety-five days, and which did not come within the forms prescribed by the Bank, as the rule of its discounts. The different shopkeepers, retail tradesmen, and small farmers, having taken in payment, in the course of their dealings, the notes of the country banks which subsequently failed, were prevented from making their payments within the stipulated periods to the manufacturers and wholesale dealers; and these, consequently, were unable to fulfil their engagements, or discharge their acceptances to the importing merchants.

"It would be an endless task to attempt to follow all the steps by which disappointment and loss and insolvency, have, at the close of 1825, followed the brilliant hopes, the reputed gains, and the unlimited credit, which characterised the early part of the year. Suffice it to say, that these contrasts, inadequately as they are here exhibited, serve to illustrate the process by which the factitious increase of a medium of paper and credit, raising the prices of commodities and of the public funds above the level which the metallic basis of the currency can support, must be succeeded, not only by a destruction of all that artificial medium, but by a temporary contraction of the circulation below the level from which that enlargement took place."

And a few weeks later, that is, at the end of

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to sell stock or goods at a loss of 20 or 30 per cent. for cash, compared with the price for time. For it is a matter of notoriety that extensive sales were actually made of stock, at that difference; and it is within my own knowledge that sales of goods for immediate money were made at a still greater sacrifice.

February, in a postscript to a subsequent edition, the following remarks were added: —

"After the great panic which prevailed in the money market in December last (1825), and which was characterised by a run upon nearly all the bankers, both in town and country, there was a pause and an abatement of the alarm. It was then a matter of remark and surprise that, in the midst of so much distress, by the failure of bankers, and by the disturbance of the country circulation, and while so many small traders were unable to fulfil their engagements, there were, down to the middle, or nearly the end of January, comparatively few failures of mercantile establishments of any extent or importance in the metropolis. The answer, however, which then presented itself to that remark was, that while bankers were liable, upon the slightest breath of suspicion, to be run upon, and their solvency immediately put to the test, mercantile houses might go on for some length of time, under more or less of discredit and difficulty. The essential difference is, that the engagements of bankers are to pay on demand, while those of merchants are payable only after a certain date. A merchant may therefore have very large engagements which, in consequence of a fall of markets, or loss from other causes, it may become evident to himself, and suspected by others, that he will not be able to discharge when due: but till they are due, he may take the chapter of accidents in his favour, and not declare his inability. Under such circumstances, too, his earliest acceptances may be renewed by creditors who may think favourably of his chance of overcoming his difficulties.

"Among the accessary causes of the overtrading, was the facility with which merchants obtained discounts of long paper, at six, nine, and twelve months, not only from town bankers, but from the

country banks, and particularly from the Scotch banks; such bills being readily renewed, while the money market continued to be abundant, and while the solvency of the parties was unquestioned. These long-dated bills contributed to the difficulties of the banks, from not being readily available when the banking panic occurred, while they account for the delay in the appearance of mercantile derangement. There is another large class of bills which have been, and are about, falling due during January, the present, and the next month, having been drawn from abroad, against the unusually large shipments of produce which have been made to this country.

" A large proportion of this mass of both inland and foreign bills was discounted by the Bank of England in December, and the early part of January last; and the extent to which this accommodation was afforded gave relief in a double point of view, both by enabling the holders of those bills to make their immediate payments, and by serving as the medium for an extended issue of bank notes, which went some way towards supplying the chasm occasioned by the failure of private credit.

" But when the bills become due, and there is no longer a facility of renewing them, the acceptors are unable to meet their payments, either because they have not received the remittances which they expected from abroad, and although possessed of property, cannot immediately convert it by sale or pledge, or because, although solvent when they gave their acceptance, they have ceased to be so by the further fall of prices, or by the failure of their debtors. The failures of mercantile firms have accordingly, for some weeks past, occurred to a great and alarming extent. Many, if not most, of these houses have been large shippers of goods, for which they had given their acceptances to the manufacturers. The losses thus sustained

by the manufacturers are aggravated by the great fall in the price, and the stagnation of demand for their goods, resulting from the over-importation of the raw material, and from the previous excessive speculative exports of the manufactured articles with which the foreign markets have been glutted. The speculative demand, too, in last spring, occasioned our own shopkeepers, both in town and country, to stock themselves more largely than usual. Many of these have contributed of late to swell the lists of bankrupts; and such of them as have not failed are, both from necessity, and from the opinion of future cheapness, going in the opposite extreme of running their stocks to the lowest amount consistent with the preservation of their business.

"The reduced demand experienced by the manufacturers from these combined causes, disables them from employing the same quantity of labour, and either the wages are reduced, or smaller numbers of workmen are employed. And this reduction of employment and wages of the labouring classes (the price of food continuing relatively high) forms a great aggravation of the sufferings which the labouring classes have sustained from losses by the failures of the country banks, and by the discredit of the local notes, of which they have, in too many instances, been holders.

"This last feature of the present distress is distinct from and over and above that which existed in 1793. Until within the last two or three weeks, it seemed to be a matter of doubt whether the extent of commercial distress and discredit in the crisis through which we are passing was equal to what prevailed in that period. But I am now inclined to think that the present derangement will be found to exceed that of 1793, both in extent and intensity, independently of the aggravation which is now experienced from the losses sustained by the discredit of the small country notes.

"For the alleviation of this wide-spreading distress, the most obvious expedient, certainly, is to extend the issues by the Bank of England as far as can be done without incurring the danger of a renewed drain upon their coffers, and a consequent risk of suspension: an event which, both in its immediate and remote consequences, would be pregnant with evils infinitely outweighing the consideration of the mere temporary relief to be derived from an extra issue of notes."

The derangement of the circulation arising out of the failures of bankers was, according to the foregoing view, at its height in December, 1825*; whereas the mercantile embarrassments were more heavily felt in the two following months.

Applications were made to government by deputations on behalf of the mercantile interests, which were then in a state of great distress, for relief, by an issue of exchequer bills in the way of loans, to be advanced on securities under a commission, on

* A meeting of merchants and traders of the city of London was held at the Mansion House, on the 14th December, when the following resolutions were moved and adopted: —

"1. That the unprecedented embarrassments and difficulties under which the circulation of the country at present labours are mainly to be attributed to a general panic, for which there are no reasonable grounds; that this meeting has the fullest confidence in the means and substance of the banking establishments of the capital and the country, and they believe that the acting generally upon that confidence would relieve all those symptoms of distress which now show themselves in a shape so alarming to the timid, and so fatal to those who are forced to sacrifice their property to meet sudden demands upon them, which it is no imputation upon their judgment and prudence not to have expected.

"2. That it having been stated to this meeting that the directors of the Bank of England are occupied with a remedy for a state of things so extraordinary, this meeting will refrain from any interference with the measures of the directors of the Bank, who, they are satisfied, will do their duty towards the public.

"3. That, having the firmest confidence in the stability of the public credit of the country, we declare our determination to support it to the utmost of our power."

the same footing as in 1793 and 1811. To these applications the ministers gave a decided negative. Failing of relief in that quarter, a petition, extensively and respectably signed by merchants and traders, was presented to the House of Commons on the 23d of February, 1826, praying that the state of commercial disorder and discredit should be taken into consideration, and suggesting, as the most effectual remedy, an issue of exchequer bills under a commission. The remedy prayed for was strongly supported in the House of Commons by Mr. Baring, and other members of considerable weight. Some of these were habitually adherents of the government; and among them were Mr. Pearse and Mr. Manning, directors of the Bank. Notwithstanding this formidable array in favour of the measure, and notwithstanding the insinuations, disingenuously thrown out, that the objections to it argued the want of a due sense of the degree of the prevailing distress, the ministers, to their infinite credit, because they could have no motive but that of public principle, every motive of interest lying the opposite way, persisted and prevailed in their resistance. But, by way of proving their wish to contribute, by any mode short of direct interference on the part of the government, to the relief of the existing distress, ministers urged upon the Bank, and at length succeeded in inducing the directors to consent, very reluctantly, however, to make advances on the security of goods, in certain places specified, to an extent not exceeding three millions.

The measure was much lauded, as tending to restore confidence; but the confidence that was most required by the holders of goods, namely, the confidence on the part of buyers, that prices were no longer upheld by undue credit, had been restored, and markets and the state of credit were improving, and the distress abating, before the

plan was adopted. And there cannot be a better proof how little such a measure was wanted, than the fact that, with all the apparatus of local boards appointed for the purpose, the whole amount of the advances so made by the Bank in 1826 was short of 400,000*l.** If the assistance had been sooner held out, it would doubtless have gone to a greater extent; but in proportion as it would have had the effect of keeping doubtful paper longer afloat, and of bolstering the markets, it would have retarded the return of real confidence.

After the clearance which had been effected in the latter part of 1825, and in the early months of 1826, of the unsound part of the banking and commercial credits, which had been engendered by an undue degree of confidence, and of the spirit of enterprise, in the immediately preceding period, trade and manufactures resumed their wonted course, and hardly any trace remained, at the close of 1826, of their having been disturbed in their progress. In 1827 the range of prices was low, and, in many instances, declining, in consequence of continued abundance of supplies, and progressive reduction of the cost of production of several articles; but the markets for goods were no longer under the influence of discredit or distress, and the money market was remarkably

* An account of the places at which boards were established for advances on goods by the Bank of England, and the amounts of such advances, in the year 1826.

	£
Manchester	115,490
Glasgow	81,700
Sheffield	59,500
Liverpool	41,450
Huddersfield	30,300
Birmingham	19,600
Dundee	16,500
Norwich	2,400

Bank of England, 9th June, 1832.

Appendix to Report on Bank Charter, p. 43.

easy, the Bank having reduced its rate of discount again to 4 per cent.

In the United States of America, a process was gone through nearly corresponding with that which occurred in this country, of great facility of credit, and of extensive speculations, more especially in cotton, attended with a great rise of prices in the early part of 1825*, and followed by a great fall of prices, and a severe pressure in the money market†, in the summer and autumn of that year.

* The prices of cotton had advanced considerably in America in the spring of 1825, in consequence of the rising markets in this country; but, in July, the intelligence was received there of a decline of 3*d.* a pound in Liverpool, and the further fall naturally followed the decline on this side.

† The following is an extract from a New York newspaper, dated in July, 1825: —

"*The scarcity of money* is probably greater in Wall Street at this moment than it has been for many years; the full explanation whereof, it would, perhaps, be difficult to ascertain. Some of the causes may, however, be assigned. Among the most prominent, we should be disposed to place that of the many new companies incorporated by the last legislature. It was assumed as a fact, both by the petitions for these companies, and by the legislature itself, that a great mass of unemployed capital was lying idle in New York, to which these companies would afford the means of profitable investment and employment. This assumption was, in our judgment, unfounded. We do not believe there was any excess or superabundance of capital; and all calculations, therefore, made on the existence of such were erroneous. New companies, however, were chartered, and great demand was created for these stocks: a spirit of speculation was engendered, and men, of all descriptions and degrees, were seen striving to get shares in this or that bubble; not with any view to (for most of them had not the means of) a permanent investment, but, calculating that, by good management on the part of the directors, and from the craving of the superabundant capital for employment, these shares must rise. Hence, persons without any means, or any judgment or knowledge in such matters, became subscribers; borrowing, on the pledge of their shares, the money to pay for them, until, by a repetition of this process, one and the same sum was often made to represent as many times its value as there were new companies. All of a sudden, however, in the natural course of trade, that capital which was deemed superabundant, but which was, in fact, only awaiting its usual and accustomed modes of

SECTION 8. — *State of the Circulation from* 1823 *to* 1827.

In considering the influence of alterations in the amount of the circulating medium on the fluctuations of prices, and on the speculations in shares

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employment, is called for—the purchaser of cotton has to pay for it — the importer of goods has to remit, the projector of distant voyages has to prepare his funds. Moreover, receipts from foreign shipments have fallen short of expectation. The adventures round Cape Horn and to the Brazils, in flour, &c., have brought back few or no returns; the markets are glutted — the shipments to the Spanish Main, of dry goods, have been overdone. The pause in cotton abroad has interrupted sales. Hence, from all these combined causes, the merchant is thrown upon his resources at home, and the money that had been lent on pledges of stock is recalled to its natural and proper vocation. But how is it to be repaid? The borrowers of it must sell the stock given to secure the loans. But the very demand for money, for the purposes above enumerated, dampens the spirit and means of speculating in the stocks, and sales cannot be made, therefore, without great sacrifices. What is the consequence? The holders for the rise make every possible effort to avoid the necessity of selling; they borrow anywhere and everywhere, and at every rate of interest. They besiege the banks, the insurance companies, and individuals; for they must, at some sacrifice or other, repay what they have borrowed, or their career is up; and it is precisely, as we are informed, among this class of speculators that the distress for money is most severely felt.

"Another cause, perhaps, of the scarcity of money, and of the extreme unwillingness of the banks to discount, is the disproportion between the specie in bank, and the paper in circulation. It is very — we should say, if censure could be made to bear where it ought — inexcusably great. How this has happened, it would, at this moment, carry us too far to inquire, though we may attempt it hereafter. The fact, however, is indisputable."

In a letter from an eminent merchant in New York, dated 23d November, 1825, the writer observes —

"No bill of exchange can be sold here but on credit of two, three, and four months; and, such is the precarious state of commerce, that such payments are hazardous in the extreme, and paper discounted at from 1½ to 3 per cent. per month. Failures are consequently daily occurring, and numerous; some to a considerable amount."

and loans in this interval, it is of importance to distinguish between those alterations in the quantity of money which were merely dependent upon and coincident with, the influx and efflux of bullion, from those which were the result of a regulation of the Bank issues at variance with the movement of the metals.

When an accumulation of bullion in the coffers of the Bank has taken place to an amount exceeding that which should, upon the largest allowance, constitute a full proportion to its liabilities, the further influx ought clearly to form a basis for a further issue of notes (whether to the full extent of such excess of bullion, or somewhat short of it, according as securities might, or might not, be obtainable without a violent operation on the money market), will be admitted on all hands. An addition to that extent of the circulation would take place under similar circumstances if the currency were wholly metallic. Now, it appears, that the position of the Bank was, on the 28th February, 1823 —

Circulation.		Securities.	
Notes of 5*l.* and upwards	£17,710,740	Public	£13,658,829
under 5*l.* - -	681,500	Private	4,660,901
	18,392,240		18,319,730
Deposits - - -	7,181,100	Bullion	10,384,230
Liabilities - -	25,573,340	Assets	28,703,960

And the following is a passage in a Boston paper of the 4th November, 1825: —

"We have seen several private letters from New York, which mention that several failures, growing out of the late cotton speculations, were daily occurring in that city; the Bank had positively stopped discounting, and confidence was impaired, and a general gloom prevailed in the mercantile community. One letter from a commercial gentleman says—'The merchants along Trint and Pearl Streets are cracking like parched corn.' It is stated that the debts of five of the mercantile houses which have recently failed in New York were estimated at 2,500,000 dollars, and that the available funds would not exceed 75,000 dollars."

Here, whether we look at the positive magnitude of the amount of bullion, or its proportion either to the circulation or to the liabilities, being considerably more than one half of the former, or one third of the latter, it cannot be doubted but that, as the exchanges were still insuring a further influx, the Bank would, under the dictates of the soundest policy, seek to invest in securities so much at least of the excess of monied capital forced upon it as could find employment without creating any considerable disturbance of the money market. That the Bank did seek so to employ it is well known, inasmuch as it not only lowered its public rate of discount to 4 per cent., but announced a departure so far from its former practice as to offer to advance sums by way of mortgage; thus proving the difficulty of finding an adequate amount of securities within its ordinary rules. Notwithstanding these efforts, such was the force of the tide of the metals into this country, and so great the tendency to a fall of the rate of interest, that the Bank could not find a sufficient amount of securities to allow of an extension of its issue at all commensurate with the accumulation of treasure throughout the whole of 1823; the bullion in the coffers of the Bank having reached, in January, 1824, the enormous and unprecedented amount of 14,200,000*l.*; and having been still, in April, 1824, so high as 13,800,000*l.*; while the circulation in April, 1824, was 19,300,000*l.*, or only one million higher than it had been in February, 1823.*

* In a note, inserted in the Appendix to the Report on the Bank Charter, explanatory on the part of the Bank to its proprietors of the unfavourable position in which it stood by the low amount of its securities, and the high state of its treasure, in the early part of 1824, that position is thus accounted for:—

"The loss and difficulty which the Bank sustained during that period was owing, in a great degree, to the government having authorised the continuance of the circulation of the country small notes until 1833, without any previous communication

Surely, then, till April, 1824, the circulation of paper, according to any received doctrine of cur-

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with the Bank, after the provision of bullion was made for their withdrawal.

"The consequence of that measure, on the part of government, was, to leave the Bank with upwards of 14 millions of bullion in January, 1824, and their securities diminished to between 17 and 18 millions."

Now, this statement, which was also made verbally by the governor and the directors in their evidence before the Bank Charter Committee, does not, in my opinion, give a correct view of the case.

In February, 1822, the Bank was in possession of an amount of treasure, namely, 11,000,000*l.*, which, in the then state of trade and the exchanges, was deemed sufficient preparation for the contemplated cessation of the country small note circulation; and it was very soon after that date, namely, in April following, that the government announced the very weak and injudicious measure of extending that very objectionable description of paper circulation till 1833. That measure, it seems, was adopted without previous notice to the Bank; and this circumstance is dwelt upon as of importance. But the only inconvenience that the want of previous notice could have entailed upon the Bank, was its having so large an amount of treasure, and so small an amount of securities, as it had in the spring of 1822. Being then, however, although without previous notice, apprised of the measure which rendered any further preparation for that purpose unnecessary, it is not easy to see how or why the Bank should not have added to its securities, and reduced, or, at any rate, kept down, the amount of its treasure. Indeed, between February and August, 1822, there was a diminution of about one million of its bullion, and an addition of near a million and a half to its securities. But this rather adds to the difficulty attending the explanation; because the amount of bullion, having been reduced to 10,000,000*l.* in August, 1822, and so continued till February, 1823, why was it allowed to accumulate to 14,200,000*l.* in the twelvemonth following? and how can this further accumulation be by possibility ascribed to the abandonment of the intended suppression of the country small notes? And, what is still more remarkable is, that the public securities in the hands of the Bank in August, 1823, were actually less, by nearly 2,000,000*l.*, than they had been in the February preceding; and, indeed, lower than they had been at all for many years before. There is, therefore, a palpable inconsistency in the explanation. The more probable explanation is, that the Bank, in consequence of the great re-

rency, must be considered to have been in a contracted, and, most assuredly, not in an artificially enlarged state. And yet, before April, 1824, the price of wheat had reached 65*s.* 10*d.*; being an advance of upwards of 50 per cent. upon the prices of 1822, and within the merest trifle of the highest rate which it attained for some years afterwards. And it was during this contracted state of the circulation that a considerable proportion of the speculations in foreign loans, and mines, and in insurance and other joint-stock projects, had their origin. This fact cannot be too strongly recommended to the attention of such persons as, not being committed to a theory (for of those there is no hope), may have been predisposed, by the confident assertions of the partisans of the currency

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duction of the market rate of interest, found a difficulty, if not an impossibility, of investment in adequate securities without such a violent operation on the money market as, involving, as it would do, a departure from its routine, the directors shrunk from.

It would be a curious, but, perhaps, not a very profitable, speculation to consider what would have been the state of things if, with a view to keep down the amount of bullion in 1823, the Bank had attempted forcibly to extend its securities by 3 or 4 millions. The rate of interest would probably, in such case, have fallen so much while the competition for securities was in progress, that the deposits (increased as these had been) would have been further raised, and, with the increased reserves in the hands of private bankers, might have neutralised all effect of the securities on the circulation. If, however, the addition to the securities had entailed an equal addition to the amount of Bank of England notes, I doubt, for reasons which would lead to too much length to explain, whether, in 1823, and the early part of 1824, the prices of provisions and of commodities would have been higher than they were; but the speculations in loans and shares would have begun earlier than they did, and there would have been an earlier transmission of capital abroad, so as sooner to have brought on the reaction. But the currency theory would have had an apparently triumphant case, in referring to so large an addition to the circulation on securities, as an irrefragable proof of its having been the exclusive cause of the rise of prices.

doctrine, to refer every tendency to speculation, and every considerable rise of prices to an enlargement of the circulation of paper beyond the due proportion to its metallic basis.

At the commencement of October, 1824, the stock of bullion was 11,600,000*l.** But, although the bullion had thus been reduced by between 2 and 3 millions since January, it was still in the proportion of more than one third to the liabilities. Thus far, then, there is no charge of an undue enlargement of Bank notes, the amount of which did not, at the commencement of October, 1824, exceed about 19 millions; and yet it was at this period of a currency, which, looking only at the position of the Bank, was in a perfectly sound state, that the spirit of speculation, which had several months before been running riot in the share market, had extended to the markets for goods. The exchanges had indeed given way, but it was only in such a degree as had allowed of reducing the treasure, which had been of inconvenient magnitude.

But with the early part of October, 1824, the justification of the conduct of the Bank ends. The drain upon its coffers became about that time more marked, and the signs of the times had become such as should have induced caution on the part of the Bank, and should have inculcated the propriety of a limitation, if not of an immediate contraction, of its issues. Yet, notwithstanding a further fall of the exchanges, and so decided a drain on the coffers of the Bank, that the bullion, in February, 1825, had been reduced by nearly three millions, since the commencement of October preceding, and by five millions as compared with February, 1824, the circulation was enlarged by about a million, and the securities were increased by no

* Evidence of W. Ward, Esq.—*Report on Bank Charter*, p. 128.

less an amount than six millions*; and the circulation would, of necessity, have been still more enlarged by that great increase of the securities, had it not been for a great increase of the revenue, which reduced the amount of the deficiency bills.

This increase of the circulation, at the precise time when the urgent necessity of a reduction of the issues, or, at any rate, of a limitation of them, was so strongly indicated, could not fail of promoting, although it had not excited, the tendency which then existed to extravagance of speculation. It is very possible that, by the utmost practicable contraction, the Bank might not have been able effectually to repress the spirit of speculation, the motives to which were then so powerful; but the misfortune was, that not only did the Bank not do what was practicable to check, but it did the very reverse, it actually added to the existing facilities. The Bank had not kindled the fire, but, instead of attempting to stop the progress of the flames, it

* 28th Feb. 1824.

Circulation.		Securities.	
Bank Notes 5*l.* and upwards	£19,250,860	Public	£14,341,127
under 5*l.* -	486,130	Private	4,530,873
	19,736,990		18,872,000
Deposits - - -	10,097,850	Bullion	13,810,060
Liabilities -	29,834,840	Assets	32,682,060

28th Feb. 1825.

Circulation.		Securities.	
Bank Notes 5*l.* and upwards	£20,337,030	Public	£19,447,588
under 5*l.* -	416,730	Private	5,503,742
	20,753,760		24,951,330
Deposits - - -	10,168,780	Bullion	8,779,100
	30,922,540		33,730,430

The circulation was further increased in the spring of 1825 to 21 millions.

supplied fuel for maintaining and extending the conflagration.

The explanations which have been given, on the part of the Bank, of its conduct on that occasion, although they account for the deviation from correct principle, do not amount to a justification. One ground stated* is, that the promise of assistance by the Bank to government, for the financial measure of reducing the 4 per cents to 3½, was given in January, 1824, whereas it was not till October of that year that the advance for paying off the dissentients was called for. Another ground is, that the bargain for the purchase by the Bank of the naval and military pensions, technically known as the dead weight†, had been made early in 1823, so that it was only in pursuance of that contract, that the payments upon it in 1824 and 1825 contributed unduly to swell the circulation.

The Bank, doubtless, was bound to carry through, although under altered circumstances, its pledge of paying off the dissentient 4 per cents. But that forms no excuse for not having made a reduction through other channels. And as to the dead weight, why, if the progressive payments upon it endangered an excess of the circulation, as was evidently the case with the payment in January, 1825, was a portion of it not sold as it might have been?. Indeed, in the reluctance of the Bank to part with any of the dead weight, there was a manifest inconsistency. The directors had, in the first instance, objected to make the purchase‡; and it is well known

* See evidence of William Ward, Esq.—*Appendix to Report on Bank Charter*, 1832, p. 127.

† The dead weight consisted of the naval and military pensions converted into an annuity of 585,740*l.* per annum, for forty-four years, which the Bank purchased in March, 1823, for the sum of 13,089,424*l.*, payable by instalments, up to April, 1828.

‡ Mr. W. Ward, in his evidence before the committee on the Bank charter, page 129., said, "I think the dead weight existed

that, upon their declining it, an offer of treating for it, in whole or in part, was made to some of the other great public companies, who, likewise, declined it. Subsequently, when the treaty was renewed with the Bank, the directors would have preferred taking one half only of the amount; and yet, having taken the whole, they could not be induced, by the consideration of its being on the occasion here noticed a certain means, and the least objectionable, of reducing the circulation at a time when it had become evidently redundant, to part with any of it. And there could be no pretence of any difficulty of disposing of it at that time; the prices of the public securities were still high, and annuities, such as the dead weight, were perfectly marketable. Mr. W. Ward, on being asked by the committee on the Bank charter, "Do you consider that annuity a marketable security?" answered, "I never knew the long annuity unsaleable, while perpetuities were saleable; and the Bank, or dead weight annuity, is within a few years of the same term. The long annuities are not quite so marketable as the consols, and reduced; but still the annuities are perfectly marketable, and indeed they are preferred; for, when the new plan came into operation, it rather lowered the long annuities than raised them, which showed that the public had given rather more than their just value for them."

A reduction of the circulation at the close of 1824, to the extent of one or two millions, would inevitably have tended to prevent some part of the extravagance of speculation which prevailed during some months following, and would in so far likewise

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one year before the Bank took it. The Bank was reluctant to take it; they declined it in the first instance, and took it the succeeding year."—See also the evidence of J. Baker Richards, Esq., to the same effect, page 396.

have obviated a great part of the pressure on the exchanges. The transmission of capital abroad, in payment of the foreign loans and the mining projects, would not have been on so large a scale; nor would the engagements for importations, to be forthcoming in 1825, have been of such magnitude as they proved to be; nor would there, consequently, have been the same pressure on the exchanges, and a good deal of the subsequent mischief might have been averted. The difference on such occasions, of the effects of an increase, however apparently moderate, when the indications, more especially that of a drain of bullion for export, point clearly to a reduction, is very much greater than might be inferred from the mere sums.

Of the great error committed by the Bank, in having extended its circulation in the interval, from the summer and autumn of 1824, to the end of April, 1825, instead of contracting it, there can, it is presumed, be no reasonable doubt. But in the position of difficulty in which the Bank became involved, by the consequences of that great error, there was presented to it a choice only of evils. And it may fairly be questioned whether, in being passive, or nearly so, as it was, or, in other words, in preserving the securities nearly uniform, as was the case in the interval from April till the autumn of 1825, and allowing the public to operate on the bullion and deposits, the Bank did not adopt the lesser evil.

If, upon the discovery of its error, and finding that the drain was proceeding so rapidly, as to endanger its establishment, the Bank had, in May, 1825, taken immediate measures for retracing its steps by a forcible contraction of the circulation, and a consequent violent pressure on the money market, the fall of prices of shares, and foreign loans, which had already begun, and of goods which was on the eve of taking place, would have

been hastened, and the ultimate discredit and derangement of the circulation would have been precipitated. The main difference would probably have been that the Bank would not have been run so nearly to the verge of suspension. But, on the other hand, the evidently forcible action of the Bank, before the natural reaction of the speculations had developed itself, would have afforded a plausible ground for the theory which supposes that the termination of those speculations was exclusively owing to a contraction of the Bank issues. Such a pretence afforded to that theory would of itself be no small evil. As it is, an attempt has been made, by an exaggeration of the small contraction which did take place in the Bank issues in 1825, to place to the account of that contraction the greater part, if not the whole, of the recoil of prices of shares and goods, and the whole of the subsequent derangement of the circulation.

By a forcible contraction on the part of the Bank is understood to be a reduction of its securities, whether public, by forced sales, or private, by an advance in the rate of discount. How innocent of such measures, or, in other words, how passive the Bank was in its management through the summer of 1825, will appear by the following statement of its position on the 31st August, 1825: —

Circulation.		Securities.	
Notes of 5*l.* & upwards	£19,002,500	Public	£17,414,566
under 5*l.* - -	396,340	Private	7,691,464
	19,398,840		25,106,030
Deposits - - -	6,410,560	Bullion	3,634,320
Liabilities - -	25,809,400	Assets	28,740,350

On a comparison of this statement with that of the position of the Bank in February preceding, it appears that the deposits had been reduced by about three millions and a half, which, with the

reduction of the circulation by about a million and a half, diminished the liabilities by about the same amount as the diminution of bullion within the same period, while the securities remained nearly uniform. There had, in this interval, been no pressure whatever in the money market; no refusal on the part of the Bank to discount at 4 per cent. any paper coming within its ordinary rules; no appearance of general discredit. But it was during this passive state of the Bank that, in the markets for shares and foreign loans, a very great and ruinous depression of prices had taken place; and in the markets for goods, there was already that stagnation, resulting from the prospect of large forthcoming supplies, which usually betokens an impending fall.

The smallness of the reduction which the circulation had undergone till after the summer of 1825, will appear by the following statement of the average amount in each of the three first quarters of that year, namely,

Quarter ending 31st March - -	£21,084,470
30th June - -	19,837,770
30th September -	19,776,360

According to this statement, the reduction was, throughout the summer, little more than a million, compared with the quarter ending 31st March, which embraced the period of the highest speculative mania; and the average, in the two quarters ending in June and September, was only by about half a million less than it had been in the last quarter of 1824, which was 20,344,970*l.* But in the last quarter of 1824, a considerable rise of prices, and a general spirit of speculation, were already prevailing; and, if this last-mentioned amount was to be considered as sufficient to account for advancing prices, and a high range of them, an amount less only by about half a million can hardly be considered as the cause of a fall. Indeed, it is

quite preposterous to suppose that anything in the regulation by the Bank of its issues, before October, 1825, can have exercised any influence worth mentioning in the great adverse turn which; during the summer preceding, had taken place in the aspect of commercial affairs. But in October and November following, there was a reduction of between two and three millions, compared with the corresponding spring months, namely, April and May; and this diminution, although it was ineffectual in stopping the drain, yet, coinciding as it did with a tendency from other causes to discredit, and a fall of prices, had, probably, some effect in increasing that tendency.

There is reason to believe that the drain upon the Bank after the summer of 1825, as the exchanges thenceforward progressively improved, was mainly for the purpose of supplying to the country banks, which were then beginning to experience a severe run, the means of meeting the demand for gold in exchange for their small notes.* When the

* Mr. J. Horsley Palmer's Evidence before the Committee on the Bank Charter, 1832, page 22.

"Will you explain in what way the state of the small note circulation operated so as to interfere in the management of the Bank?" "It rendered the Bank liable to a very great sudden demand; for instance, in the end of the year 1825 the demand upon the Bank was nearly two millions and a half sterling, for the support of the country circulation, when the exchanges were nearly at par, if not entirely so, and which placed the Bank in a very peculiar state of difficulty. The whole difficulty of that period, with regard to bullion, arose from that demand."

"You conceive the magnitude of that demand was very much increased by the small note circulation of the country?" "I consider the demand was almost entirely to uphold the small note circulation."

"Will you explain why you are of that opinion?" "Because the holders of small notes are the lower orders of the people, whose fears are more extensively acted upon in times of distrust; and there having been no exchange for the 1*l.* note but the sovereign, the demand upon the Bank became inevitable."

discredit and alarm arising from the numerous failures of banking establishments in December, 1825, were at their height, and when the treasure of the Bank was on the point of being exhausted *, the di-

* The lowest state of the treasure was on the 24th Dec. 1825.

Coin	£426,000
Bullion	601,000
	1,027,000

which is a trifle lower than it had been on the 28th February, 1797, when it was 1,086,170*l*. But the severest pressure on the Bank, and the greatest alarm and excitement of the public mind, were in the week ending the 17th December.

Mr. Richards, who had been deputy governor of the Bank in 1825, in his evidence before the committee on the Bank charter (1832), page 405, referring to the state of alarm in that week, added, "Upon that Saturday night (17th Dec.), we were actually expecting gold on the Monday; but what was much more important, whether from fatigue, or whether from being satisfied, the public mind had yielded to circumstances, and the tide turned at the moment on that Saturday night."

Mr. Richards had been previously asked, "In that week of great pressure in 1825, did the directors of the Bank apply to the government for a cash restriction?" "It was mentioned to his Majesty's government that we thought we were likely to be run dry." "What was the answer you received?" "They declined it." "Absolutely, or conditionally?" "Absolutely, I conceive." "Do you recollect what day that was?" "I cannot recollect the day, but it was during that week ending the 17th." "Although government would not by anticipation authorise a restriction, have you any doubt that, if the Bank had been actually exhausted, the government were prepared by a legislative measure immediately to authorise a restriction for a limited period?" "I mean to say that the government declined absolutely a restriction; and government never held out to the Bank, as far as my knowledge goes, any intention of acceding to it."

"Was the turn which took place in the public mind after the 17th sufficient to save the Bank from being drained, if it had not been for the fresh arrival on Monday morning?" "During the week ending on the 24th there was a demand; but the supplies that came in fully equalised it, if it did not do more; and the confidence had become as nearly as possible perfect by the evening of the 24th."

With reference to this critical period, a remark by Mr. Huskisson, "that we were within a few hours of a state of barter," has often been quoted, as proving the imminence of a general derangement of all pecuniary transactions and great national distress as a necessary consequence of a suspension of cash pay-

rectors adopted the bold and somewhat empirical, but (as it turned out to be successful) the salutary measure of enlarging their issues by discounting freely at 5 per cent. (to which the rate had been recently increased) all mercantile paper that had any pretensions to security. As the exchanges had, before this determination of the Bank, taken a decidedly favourable turn, so as apparently to insure a large influx of bullion; and as it was a paramount object to allay the existing alarm, by the substitution of paper of undoubted credit for so much of the country notes, which had proved to be insecure; the operation was, when all the reasons for it became manifest, justifiable upon grounds of sound policy. But the precedent is dangerous, as it may

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ments by the Bank. The remark in question conveys a very exaggerated view of the consequences likely to result from a suspension, and the "state of barter" must have been a mere hyperbolical expression. There can be no doubt, judging by all analogy, that Bank of England notes, and the notes of those private bankers whose solvency was beyond all question, would have passed currently, preceded probably by public meetings and resolutions, declaratory of confidence in such paper; and the rapid return, which had already begun, of the precious metals, would have enabled the Bank to resume cash payments in a very few months afterwards. But, although "the state of barter" was an exaggeration, there would have been enough of evil attending a suspension to make it a matter of congratulation that we escaped it. It would have been disgraceful to the Bank, and discreditable to the nation, the Bank of England being considered abroad as a national institution. But the great evil would have been in the doubts to which it would have given rise, as to the possibility of maintaining a convertible state of the paper circulation, and in the pretence which it would have afforded, for tampering with the currency, to the advocates for a permanently inconvertible paper money, or, if not to these, to the projectors of an alteration of the standard, either by direct debasement, or by the indirect and clumsy, and ineffectual, attempt at the same object by the substitution of what has been called a double standard. And, supposing no other evil, the suspension would, as it entailed no forfeiture of the charter of the Bank, have come to be considered by it as an innocent measure of relief, whenever, as the consequence of mismanagement, the treasure had been suffered to run to exhaustion.

be followed under circumstances which may not carry with them, as in this instance, their justification. It is the more dangerous, from the merit ascribed to the Bank directors in coming forward, on so critical an occasion, in support of commercial credit. But against this merit ought to be set the blame of having, a twelvemonth before, enlarged, instead of contracting, the circulation, and of having thus contributed as much as in them lay to bring their establishment to the very verge of a suspension of payment; from which state of jeopardy it was only rescued by a measure partaking of the nature of desperation. And the praise which is often in so exaggerated a manner bestowed upon that measure, has the tendency to confirm the directors in a persuasion to which they were previously too prone, that it is a part of their functions to promote and uphold the commerce of the country; whereas, in truth, the trade of the country can never be in a satisfactory state if it is in any way made to depend upon the patronage or protection of the Bank. All that is required, all that can be desired of the Bank is, that, as a source of the issue of paper money, it should strictly preserve its paper in a sound state; that is, that it should be regulated in such a way as to preserve under all circumstances a due proportion of bullion to its liabilities. With a due attention to that point, the directors might safely leave the trade of the country to its own resources.

The increased issues by the Bank, in the last three weeks of December, were to the extent of between seven and eight millions (including about 800,000*l.* to 900,000*l.* of small notes), as compared with the first fortnight: thus in the week ending

3 Dec. - - -	£17,477,290
10 — - - -	18,037,960
17 — - - -	23,942,810
24 — - - -	25,611,800
31 — - - -	25,709,410

This enlargement of the circulation of Bank of England paper was effected by purchases of exchequer bills in the market to the extent of two or three millions, and by increased discounts of four or five millions.

On the 28th February, 1826, the following was the position of the Bank : —

Circulation.		Securities.	
Notes of 5*l.* & upwards	£24,092,660	Public	£20,573,258
under 5*l.* -	1,375,250	Private	12,345,322
	25,467,910		32,918,580
Dposits - -	6,935,940	Bullion	2,459,510
Liabilities	32,403,850	Assets	35,378,090

It is perfectly within general recollection (and it has been seen by the statement at page 157.) that this great enlargement of the Bank issues had not the effect of arresting the fall of prices. The reason too why it had not that effect is generally understood, namely, that it served to fill in part, and in part only, the vacuum caused by the discredit of the country bank notes, and of other means of circulation. But it has not been so well recollected, nor understood, that a similar enlargement in 1810, which has been represented as an inundation of paper, causing an advance of prices, and a depreciation of the currency beyond the difference between paper and gold, was issued under circumstances singularly analogous, having been in fact coincident with a great fall of prices, and a great failure of private credit.

It may serve to show how quickly credit was restored if we here refer to the two half-yearly statements of the position of the Bank following that which we have just had occasion to remark upon.

31st August, 1826.

Circulation.		Securities.	
Notes of 5*l.* & upwards	£20,402,300	Public	£17,713,881
under 5*l.* -	1,161,260	Private	7,369,749
	21,563,560		25,083,630
Deposits - -	7,199,860	Bullion	6,754,230
Liabilities	28,763,420	Assets	31,837,860

28th February, 1827.

Circulation.		Securities.	
Notes of 5*l.* & upwards	£21,229,220	Public	£18,685,015
under 5*l.* -	661,390	Private	4,844,515
	21,890,610		23,529,530
Deposits - -	8,801,660	Bullion	10,159,020
Liabilities	30,692,270	Assets	33,688,550

Thus, with a circulation larger than it had been at its highest period in 1825, there was, in little more than twelve months from the nearly complete exhaustion of the coffers of the Bank in December, 1825, such a state of the exchanges as raised the treasure to upwards of ten millions, which, although the deposits had likewise been increased, reached to the proportion of one third of the liabilities. And these effects seem to have been produced in a state as nearly as possible passive on the part of the Bank. The reduction of the amount of private securities, combined with the increase of deposits, proves the entire restoration of credit in that interval, and forms an additional illustration of the mode in which the rate of interest operates upon the position of the Bank.

During the remainder of the epoch under consideration, there was no change of importance. The securities continued nearly uniform to the close of 1827, the discounts having been reduced by upwards of one million, and the public securities increased by a like amount, and the bullion continued to be in the proportion of one third of the liabilities.

SECTION 9.—*Summary of the preceding Survey.*

Upon a review of the period that has passed under examination, it appears,—

1. That the rise in the price of corn in 1823 was not preceded by any such increase of either the Bank of England or the country bank circulation, as to justify the assignment of an enlargement of the issues as the cause of that rise; and that the subsequent fluctuations of the price of corn, compared with the variations in the amount of the circulation, exhibit so striking a discrepancy as is quite destructive of the alleged connection.

2. That the increase of four millions in the circulation of Bank notes, assumed and alleged to have been the consequence of the measure proposed by government, and adopted by parliament in February, 1822, for issuing that amount of exchequer bills, is a pure fiction, involving the gross error of confounding the creation of a given amount of securities with an addition of so much money to the circulation.

3. That the prices of corn did not vary coincidently in point of time, nor proportionately in degree, with the variations in the prices of commodities. A very considerable elevation of the prices of all provisions, including corn, had taken place in May and June, 1823, while nearly all other articles were falling. And again, the prices of corn, notwithstanding a large admission of foreign grain for consumption, were rising in the summer of 1825, coincidently with a decline which had then commenced in most other descriptions of produce.

4. That, instead of ascribing to the circulation an influence on the price of corn in the interval between 1822 and 1826, there are strong grounds for believing that the prices of corn, under the operation of the corn laws, combined with the

seasons, exercised considerable influence on the state of the circulation.

5. That the markets for commodities, as contra-distinguished from the prices of provisions, were dull and, in some instances, drooping in the spring and summer of 1824, and did not experience any considerable or general improvement till an advanced period of that year, when it was discovered that the stocks on hand of most articles were reduced below the average rate of consumption.

6. That the speculations in South American loans and mines, and in the shares of a very considerable number of other joint-stock companies, had their origin in the early part of 1824, while the markets for commodities were dull and drooping, and when, although the circulation of the Bank had been enlarged, the bullion in its coffers had increased in a still greater proportion, and exceeded the amount of any former period; whence the conclusion is, that the same tendency to speculation in those loans and shares would equally have existed if the basis of the currency had been purely metallic.

7. That one of the predisposing causes of the speculations in foreign loans and in shares in 1824 had been the fall in the rate of interest, and the reduction of it upon some of the funds of this country; such reduction having excited, among persons whose incomes were in consequence diminished, a restless feeling, and a disposition to hazardous investment.

8. That the Bank of England, by not only maintaining but extending its circulation after the summer of 1824, when the state of the exchanges and the efflux of bullion indicated the propriety of an opposite course, and by unduly continuing the facilities of the money market, had extended the range and duration of the speculations; thus adding to the causes which were already in operation to

depress the exchanges, and consequently to increase the drain on its coffers.

9. That the extensive failures of country banks, and of some of the London banking houses, and the general derangement of the circulation in the autumn of 1825, were clearly the consequence of their overtrading by issues of paper, and by advances on securities, either inadequate or not sufficiently convertible, in an undue proportion to the capitals possessed by them, and to the deposits in their hands.

10. That the empirical and hazardous, but successful, measure adopted by the Bank, at the close of 1825, of extending its circulation in the face of a run which had reduced its treasure to the lowest ebb, would not have been called for but to counteract the consequences of a previous great error in the regulation of the issues in the autumn of 1824 and the spring of 1825.

11. That the fall of prices of shares and commodities after the summer of 1825 was the effect of the cessation or abatement of the causes of the rise, in each particular instance, accelerated and aggravated by the state of discredit and the derangement of the circulation at the close of that year.

12. That the prices of provisions, as they had been little influenced by the spirit of speculation which raised the markets for other produce, and the shares in foreign loans and joint-stock companies, so they were little affected by the causes of reaction which operated on those other markets.

CHAPTER IX.

STATE OF PRICES AND OF THE CIRCULATION FROM THE COMMENCEMENT OF 1828 TO THE CLOSE OF 1832.

After the violent changes that characterised the period which has recently passed under consideration, the trade and manufactures of the country had, in 1827, resumed their usual and steady course at the reduced prices to which the increased supplies and diminished cost of production had ineivtably led.

The corn trade, and the prices of provisions generally, were, in the last chapter, shown to have been distinctly under the combined influence of the seasons and the corn laws, and not to have participated in the great changes which the state of commerce and of credit underwent in the interval from 1823 to 1827.

In the period which is now to come under consideration, we shall have occasion to see, that while the prices of provisions underwent very considerable variations, but were for the most part at a relatively high range, the trade and manufactures of the country, although proceeding in progressive extension, were, for the most part, undisturbed by any great fluctuations, the general tendency being to a decline of prices from causes which will be separately examined.

The price of provisions will, according to the order hitherto observed, come first to be considered.

SECTION 1.—*Prices of Corn from* 1828 *to* 1832.

We have seen that, at the close of 1827, the corn markets had fallen, although not to their lowest rate, yet to about the prices to which they had on several former occasions subsided, when not under the influence of deficiency or superabundance.

The winter of 1827–8 was open and mild, and the spring following, although occasionally cold and inclement, was not remarkably so. But there was a good deal of rain in June 1828, at the critical time of the blooming of the wheat, and the appearances of the crop were unpromising. Prices had accordingly experienced a slight improvement as the season advanced. About the second week in July, the rains set in heavily, and the weather continued thenceforward till the middle of August to be very wet and stormy. The crops in the home district, and in the great corn-growing counties, being rather forward, were exposed to great injury by the prevalence of such weather during the progress of the harvest, and were in consequence mostly carried in very bad condition. Independently, however, of the condition, the produce was found to be deficient; the wheat crop especially, the grain being coarse and shrivelled, and consequently light and unproductive: this description applied chiefly to the southern and eastern counties. As the weather had cleared up in the third week of August, and thenceforward continued fine, all the crops in the more northerly districts were secured in good order, although even in those the produce was considered to be below an average, and the quality indifferent. Upon the occurrence of the fine weather at the end of August, the markets receded rapidly; but when it was ascertained, upon the conclusion of the harvest, that the yield upon the whole was greatly deficient, the

markets resumed their tendency upwards, and the average price in November reached 75*s.* 3*d.* for wheat. The ports then became open at the lowest duty.*

This instance is a specimen among many others of the little direct influence of the circulation in counteracting the force of opinion on prices; for, as we shall have occasion to see, there was coincidently with this great rise of the price of corn, a reduction by the Bank of its issues.

The rise and high range of the prices of corn during this contracted state of the circulation, was not from the pressure of immediate scarcity, and consequent urgent demand for consumption, but the effect of opinion of *eventual* scarcity. The advance at that season of the year, namely, in the three months immediately following the harvest, which, after the middle of August was secured in perfectly dry condition, and a great part of the wheats, therefore, although inferior in quality, were fit for immediate use, necessarily involved more or less of speculation; thus proving that as soon as grounds existed for entertaining a favourable opinion of the future course of markets, the circulation, however contracted, did not prevent a great speculative rise. The speculation, however, went on the prospect of a greater rise, and a higher range of prices than were eventually realised. And the rise would have been greater, had it not been for circumstances which were subsequently developed.

1. The surplus of the old stock proved to be beyond what had been reckoned upon.

2. The crops, though decidedly defective, were rather less so than had been anticipated, those in the north having been well secured, and not so

* But, as during the fall of the prices of corn in 1827, the prices of meat had ranged comparatively high, the advance of the prices of corn in the autumn of 1828 was accompanied by a fall in the prices of meat.

deficient in point of acreable produce as they had been in the south.

3. A great increase of the importation from Ireland, for instance:

	Wheat.	Flour.
1827	307,646 qrs.	341,630 cwt.
1828	474,993	621,568

4. A large foreign importation, of which a considerable proportion came from a quarter that had not at all been looked to as a source of supply, namely, Spain, which in our former scarcities had been a competitor with us in purchasing corn in the north of Europe, and on some occasions requiring supplies from this country. No less than from 200,000 to 300,000 quarters were received from thence in the winter of 1828–9.

If it had not been for these unlooked for circumstances, but more especially if the harvest had proved as calamitous as that of 1816, and if the scarcity had extended, as it did in that year, to the whole of the Continent of Europe, the prices of 1829 would probably have reached at least the elevation of those of 1817. In the examination of Mr. David Hodgson before the Agricultural Committee of 1833, he is asked, "Do you not conceive that if any one of the years to which you allude, from the year 1828 to the present period, had been of a similar character to that of 1816, the deficiency which occurred during that period would have been felt with greater pressure in this country?" Answer, "I should think there cannot be a question of it."

But the supply, including the quantity of foreign admitted for home consumption, about 850,000 quarters of wheat, between the harvest of 1828, and that of 1829, having with the surplus from the former year proved to be more than sufficient at the advanced prices, the markets gave way as the harvest of 1829 approached.

The winter of 1828–9 was colder than the preceding winter, but was not marked by any character of severity. The spring following was rather backward, but not remarkably so; the summer and autumn, however, were wet and cold, and the harvest was much protracted by the unsettled weather which prevailed during the whole progress of it. The crops, although ill got in, and as the event proved, deficient in quantity, and inferior in quality, were hurried to market at the close of 1829, and the averages were in consequence much depressed, having at the close of the year got down to 55*s.* per quarter for wheat. This depression of the corn markets between the close of 1828, and the winter of 1829–30, to the extent of upwards of 20*s.* per quarter on wheat, short as was the duration of the fall, was, while the depression lasted, felt very severely by the farmers, more especially those of the heavy clay lands. The produce of these was very deficient in quantity, and very inferior in quality, and got in at a very heavy expense. And those farmers who, whether under the influence of necessity, or of opinion, hurried their corn soon after harvest to market, were obliged to submit to ruinous sales; a large proportion of the wheat so hurried to market being damp and in bad condition, as well as inferior in quality, was, at the close of 1829, and through January and February 1830, sold mostly under 50*s.*, while the very small proportion that came to market in a dry condition, and of good quality, fetched from 70*s.* to 75*s.*, and fine foreign was worth 80*s.* It was with reference to this short interval of depression of the corn markets, that notice was taken in the King's speech, delivered by commission, on the meeting of parliament, 4th February 1830, of the existence of distress among the agricultural and manufacturing classes in some parts of the United Kingdom, in the following terms:—

"His Majesty commands us to inform you that the export

in the last year of British produce and manufactures has exceeded that of any former year.

"His Majesty laments, that notwithstanding this indication of active commerce, distress should prevail among the agricultural and manufacturing classes in some parts of the United Kingdom. It would be most gratifying to the paternal feelings of His Majesty to be enabled to propose for your consideration, measures calculated to remove the difficulties of any portion of his subjects, and at the same time compatible with the general and permanent interests of his people. It is from deep solicitude for those interests that His Majesty is impressed with the necessity of acting with extreme caution in reference to this important subject."

"His Majesty feels assured that you will concur with him in assigning due weight to the effect of unfavourable seasons, and to the operation of other causes which are beyond the reach of legislative control or remedy."

The reference here made to the effect of the seasons in producing the alleged distress, was explained by the Duke of Wellington, in reply to remarks in the House of Lords on the address. "In considering," he said, "the remedies to be applied to this state of things, you are to give due weight to the unfavourable nature of the seasons, which occasioned enormous expenses in collecting the harvest, and which has in fact occasioned one bad harvest, if not another, so that the collection of it was excessively expensive."

There were, in fact, besides the great inferiority of quality, two circumstances which prevented those farmers who brought their crops quickly to market after the harvest of 1829 from obtaining in the price a compensation for the deficiency of the produce; and these were first, the admission in July of that year of a large quantity of foreign corn, and the other was the enormous expense of harvesting, which was attended with more interruption and delay and damage than in any season since 1816. But these circumstances would not of themselves have been sufficient to countervail to the farmers the effect of the deficiency on the price, had it not been that for some time after the harvest, opinions and reports were divided as to

the extent of the deficiency, and as the event proved that the produce of 1828, with the stock in hand, had been under-estimated, so it should seem that there had been an opposite error in over-estimating that of 1829.

The winter of 1829–30 was, although not one of the most severe, yet of considerable severity, the most so of any since 1813–14. The deficiency of the harvest of 1829 became manifest in the spring following, when the average price rose sufficiently to admit of an entry of about 300,000 quarters of foreign wheat for consumption at a duty of 20*s.* 8*d.* per quarter.

After that partial admission the prices of corn again rose. The weather during the summer of 1830, although not so wet as the two preceding summers, was unsettled, and as the harvest approached, prices rose, insomuch that at the end of August the averages reached 72*s.* and the duty fell to 2*s.* 8*d.*, at which all the wheat and flour that was in bond, or had newly arrived, amounting altogether to about 1,400,000 quarters, was entered for home consumption. The large foreign supply thus admitted just at the time that our own crops were secured, had the effect of rapidly depressing the markets, and the average price for the week ending 22d October, fell to 61*s.* 7*d.* This decline was of very short duration. The crops of 1830 were, at the conclusion of the harvest, estimated to be decidedly below an average. Under this impression the markets rallied.

In this instance, more strikingly even than in 1828, is the force of opinion in counteracting any supposed influence of the circulation exhibited. According to the result of all subsequent information, the wheat crop of 1830 was not so deficient as that of either of the two preceding years, and a large foreign supply was added to it just as the harvest was about to be completed. The circula-

tion was in a very contracted state at the close of 1830, and continued to be so throughout the spring of 1831; yet in what was considered and complained of in other branches of industry, as a very cramped state of the currency, was found to be consistent with a considerable advance, and high range of the prices of corn. Thus the average prices of wheat were,—

22d October, 1830	- -	61*s.* 7*d.* per quarter
4th March, 1831	- -	73*s.* 5*d.* "

This rise was, as had been the case in the autumn of 1828, but upon more doubtful grounds, the mere effect of opinion operating at a time when there could not be actual scarcity, and when, as regarded the money market, there was the very reverse of anything like facility of obtaining artificial means for speculation. There had been, in the interval, a further reduction of Bank notes, to the extent of nearly two millions. It was a time, too, when the small country notes had ceased to circulate. And it was, moreover, a period of great political agitation, connected with the change of ministry, and with a very excited and disturbed state of feeling * through the country. All these were circumstances very adverse, as might be supposed, to speculation; and yet it was a mere speculative opinion (which, in the result, proved to have been formed on insufficient grounds) that caused a rise of 20 per cent. in a few weeks†—a rise

* The disturbances which broke out so alarmingly among the labourers in some of the agricultural districts, in the autumn and winter of 1830-1, were greatly aggravated, if not produced, by the high prices of provisions. The complaints were of the inadequateness of wages. This, in other words, means the diminished quantity of necessaries which they could command.

† As a further proof of the little direct influence of the state of the circulation, administered as ours is, upon the prices of produce, it may here be observed, that not only did the prices of corn advance considerably in the spring of 1831, but meat and wool, which had previously been depressed, rose also very consi-

which was the occasion of admitting, in the spring of 1831, 1,491,631 quarters of foreign and colonial wheat and meal into consumption. It was the admission of this large quantity, which thenceforward, with our own increasing produce, contributed for some time after to depress the corn markets.

The winter of 1830-31 was very variable: sharp frosts of a day or two, alternating with rapid thaws; very little snow in the southern division of the island, but heavy falls in the northern. The early part of the spring was not marked by any particular feature of inclemency, until the month of May. On the 6th of that month, after a succession of very heavy rains, a frost of uncommon severity for the season occurred. The extensive destruction caused by it, to garden shrubs and plants, must be within distinct recollection. And it was supposed, although too early in the growth to admit of being ascertained, that the wheats sustained great injury from that cause, which was developed as they approached to maturity. The same cause of injury was not considered as extending to the northern division of the island, where the crops were backwarder. The weather, during the summer of 1831, was variable, with a preponderance of wet. While the harvest was in progress, complaints of mildew, and other injury to the corn crops, became very general. This applied more especially to Essex, and some others of the great corn-growing districts; and the acknowledged deficiency of the acreable produce in those districts, led to an opinion, that prices which had been de-

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derably. The rise was, doubtless, owing to the effects of a rot which had prevailed among the sheep, as a consequence of the preceding wet seasons. But those of the partisans of the currency theory who consider that this rise was the effect of scarcity, are bound to give a consistent reason, why the previous low prices, and more especially in 1822, might not fairly be ascribed to abundance.

pressed by the large admission of foreign wheat in the spring, would rally sufficiently to require and admit a further foreign supply before the following harvest. But it soon became apparent, that the surplus of the foreign which had already been admitted, with the home growth, which (whether from an extended cultivation, or from the produce in the western and northern districts having turned out better than in the eastern and southern, or what is more probable, from both these causes), constituted a stock more than sufficient to last till the ensuing harvest. As the impression to this effect gained ground, the markets gave way, and the inferiority of the wheat operated not only in depressing the averages, but in deterring speculation, the quality being of a description unfit to hold over, at the risk of coming into competition with a new crop of better quality. There appears, accordingly, to have been, at the close of 1831, sufficient cause for the decline of wheat to an average price of 60*s.* 5*d.**

The winter of 1831-2 was open, and the following spring was neither very forward nor very backward. In the summer, and at the approach of harvest, the weather was rather unsettled; and this, with an impression that the old stock in the country was very much reduced, gave occasion to a little rally in the markets in July and August, 1832, which raised the averages to about 63*s.* But the weather, from the end of July till the last week of August, proved to be most propitious, and the crops of nearly all

* There had been, coincidently with this decline, a reduction of the Bank issues, and it is possible that the contraction which prevailed, more or less, may, as it coincided with a tendency from other causes, to a decline of the corn markets, have increased or accelerated that tendency; but it has been observed, that in 1829, with a circulation less by nearly two millions than in 1827, the price of wheat was 40 per cent. higher; and it will be seen, that with an increased circulation in 1833, the prices were lower than in either 1831 or 1832.

kinds of grain, but more especially of wheat, were secured, in good order, in the greater part of the country to the south of Yorkshire. In the last week of August, there were very heavy rains, attended with a warm close atmosphere; and the wheats which were exposed to them, suffered considerably. But the injury from this cause was partial; and with this exception, the harvest was well secured, and the yield was reported, upon the whole, to be abundant. As, therefore, the previous prices had been those of deficiency, so, upon the restoration of abundance*, they naturally

* The importations from Ireland had considerably increased, as compared with the two former years.

Of the abundance of the crop of 1832, as it militates with the exclusive currency doctrine, some doubts have been expressed by the supporters of that doctrine; I therefore subjoin the following extracts of some of the evidence before the Agricultural Committee of 1833.

Mr. Robert Hughes, steward to several gentlemen, and a land surveyor, speaking of Wiltshire and Berkshire, with which he was particularly acquainted, is asked, "Do you consider 1831 and 1832 to have been average seasons?" answers, "1831 was a better season, but not so good as the last season." And in answer to further questions, "I never recollect a more kind season than the year 1832, for crops of all descriptions; and in the southern counties, I never knew a better crop." And repeats, referring to the last ten years, "Generally speaking, I never remember a better crop in those counties."

Mr. John Cramp, an occupier of land, at Garlinge, in the Isle of Thanet, and in the habit of making valuations, says, "The last harvest was a very good one; I have known the Isle of Thanet forty years, and never knew one so good." And to a further question, by how much the produce of 1832 exceeded an average harvest in the Isle of Thanet, answers, "I should say one-fourth part, I may say one-fifth certainly, and I think, as compared with 1831, the crop of 1832 was nearly in the proportion of two to one."

Mr. William Simpson, farmer and land-valuer, at Doncaster speaking of stiff lands, and of the crop of 1832, says, "It was the best crop on the clay soils there has been since 1827, though they complain very heavily. It would have been a fair crop, if it could have been well cut, but it was not well got in."

Mr. James Comely, a farmer and land-valuer, at Compton, near Winchester, says, with reference to the crop of 1832,

fell; and the average, at the close of December, 1832, was 53*s.* 7*d.* The circulation of the Bank of England had undergone no material reduction in December, 1832, as compared with December, 1831; thus,—

	Bank Notes.	Wheat.
December, 1831	— 16,890,000	60*s.* 5*d.*
" 1832	— 16,511,000	53*s.* 7*d.*

In France, the prices of the five years which have been under consideration, underwent nearly the same variation as in this country, namely, a rise, in consequence of deficient harvests, in the four years ending with that of 1831, and a fall, as the consequence of an abundant harvest in 1832. But, although each of those four years was marked with more or less of deficiency in France, as well as in this country, none of them were of the desolating character of the season of 1816.

The average price of wheat during the five years ending in 1832, was 63*s.* 2⅕*d.* per Imperial quarter, equal to 61*s.* 2⅕*d.* per Winchester quarter *, not-

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" It must be considered that it was an extraordinary crop this year."

		per Imp. qr.		per Win. qr.
		s. *d.*		*s.* *d.*
* 1828	-	60 5	=	58 6
1829	-	66 3	=	64 2
1830	-	64 3	=	62 3
1831	-	66 4	=	64 2
1832	-	58 8	=	56 10
Average		63 2⅕	=	61 2⅕

In the very superficial and imperfect view of the corn trade, taken in the Agricultural Report of the House of Commons in 1833, it is considered as a tribute to the corn bill of 1828, that the fluctuations of price in the five years following were on a smaller scale than in any other period of five years since 1797. And reason good why they should have been so. There had been a general moderate degree of deficiency in each of the consecutive years, except the last, viz. 1832, which before the close of the year had not time to affect the average. And under that moderate degree of deficiency, we were enabled, in

withstanding that there had in that interval been an admission of foreign and colonial wheat and meal for home consumption, to no less an extent than 5,725,221 quarters.*

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consequence of all the ports of Europe (France excepted), and of America, being open as sources of supply at low freights, to import in those five years nearly nine millions of foreign grain. But supposing that this country and Europe generally had been afflicted with two seasons in succession such as 1794 and 1795, or 1799 and 1800, or even with a single season such as 1816, in that interval, and further supposing that the interval had also included a season of the exuberance of 1813, 1820, or 1834, what then would have been the boasted steadiness produced by the corn law of 1828? But still more, if in the first two or three years of that interval there had been a deficiency of home growth, to be supplied by an importation from abroad, subject to at least 44*s.* of extra war charges, followed by a superabundant home growth, coincident with a return of peace, and a consequent cessation of the extra charges, is there not reason to conclude that the price under this same corn law might have varied by the difference between 150*s.* and 35*s*? Indeed, if the author of that report had waited till 1835, he would have found that a price as low as 35*s.* was compatible with that corn law, making, according to the mode of expression adopted in the table which is inserted at page 12 of that report, a variation of 100 per cent. And further, if seasons in Europe, such as occurred at the close of the last and the beginning of the present century should recur, we should, with our present dense population, require a foreign supply of such magnitude as could not be obtained without a rise to upwards of 100*s.* And such a state of things, whenever it shall occur, will form a due commentary, and probably an extinguisher, upon the present system of corn laws.

* Foreign and Colonial Wheat, and Wheat Meal admitted for home consumption:

	Quarters.
1828 - - -	842,050
1829 - - -	1,364,220
1830 - - -	1,701,885
1831 - - -	1,491,631
1832 - - -	325,435
	5,725,221

And the total quantities of foreign and colonial grain and meal admitted in those five years, amounted to no less than 8,894,424 quarters.

There are several points of view, in which, for the purpose of estimating the effect of the currency on the price, the state of the corn trade in those five years becomes a matter of important consideration,

In this interval the small-note circulation in England had been discontinued, and the whole circulation was considered to be in a contracted state. The greater part of the interval was characterised as exhibiting a distressed state, or a dull and stagnant state of trade and manufactures. The comparatively high range of prices, therefore, could not be ascribed to increased consumption. The whole of the commercial world (France only during a part of that period excepted), was open for this country to draw supplies from, at rates of freight and insurance lower than they had ever before been. Several countries (Spain more especially, which had been during the early period of the war, a competitor with us in drawing supplies from the Baltic, and in the latter years drew supplies from this country), from whence we had never before imported any, or only small quantities, became the sources of unexpectedly large supplies. The experience of the preceding ten years had removed the impression that in ordinary seasons this country, including of course Ireland, did not grow enough for its own consumption. The farmers were therefore, independently of all question of capital or credit, less confident than they had been of a high range of prices, and consequently less disposed to withhold their supplies.

If then, under these depressing circumstances, the average price of wheat was 61*s.* 2*d.* per Winchester quarter; it may be worth while to consider what would have been the addition to that price if, requiring as we did a foreign supply, this country had been, with reference to the sources and cost of an importation, situated as it was in the five years ending in 1813.

The contraction and uncertainty of the sources of a foreign supply, *and the certainty that existed in* 1811 *and* 1812 *that we could not obtain any supply at all worth mentioning*, do not admit of being estimated adequately in the price, although in general terms it must be assumed and allowed that they would cause a very great rise beyond the mere excess of the charges of importation incidental to the political obstructions which then existed.

But, taking into consideration only the additional charges, constituting an increased cost of production, and of importation from such sources as were alone accessible, of a supply of which we stood in urgent need, the following is a very moderate computation of those charges:

Difference of exchange, or the difference between paper and gold, on an average of the five years from 1809 to 1813, both years included, 20 per cent. on 60*s.* -	£0 12
Difference of freight which, with the licences from foreign governments, was in some instances as much as 50*s.* per quarter, but taking as the lowest of that period, 25*s.* per quarter, and deduct therefrom 5*s.* per quarter as the average of freights from 1828 to 1832 - -	£1 0
Difference of premium of insurance between the peace rate of between 2 and 3 per cent. on an average, and 20 to 40 per cent., at which the premiums ranged from 1808 to 1813, but taking only 20 per cent. on a varying amount, suppose an average of 60*s.* per quarter. - -	0 12
	£2 4

This extra cost (*taken at the lowest computation*), incidental to the war, of 44*s.* per quarter,

added to 61*s.* 2*d.*, would bring the average of the five years ending in 1832, to 105*s.* 2*d.**, without taking into consideration the further indefinite but necessarily very great effect which would be produced by the uncertainty of obtaining a sufficient supply on any terms. The alarm attending that uncertainty, does not, as before observed, admit of a precise measure in price; but I am perfectly persuaded that, considering the greatly increased density of population in the five years ending in 1832, requiring a foreign supply of nearly six millions of quarters of wheat, besides other grain, to make up for the deficiency of our own crops, if in addition to the effect on prices, of the extra charges enumerated attending a foreign supply, there had been the certainty, as there was in 1811 and 1812, that we could not obtain a sufficient quantity (allowing for the utmost retrenchment of consumption) on any terms, the average price of the five years ending in 1832 would have been decidedly higher than that of the five years ending in 1813; or, conversely, that the price in the five years ending in 1813, would not, but for the extra charges, and the uncertainty of any supply, have been so high as the average prices were in the five years ending in 1832.

The argument then seems to be complete, as derived from the price of wheat in the period

* By the alteration in the mode of taking the averages introduced by the corn bill of 1828, it has been computed that, supposing the state of markets the same, the aggregate returns are lower by 5*s.* the quarter than under the former mode. The returns formerly were confined to corn, the produce of England and Wales; they now include Scotch and Irish corn. The average price therefore of the five years ending in 1832, would, according to the mode of making returns between 1808 and 1813, be 5*s.* higher, namely, - - 66*s.* 2*d.*
to which adding - - - - - 44*s.* 0*d.*

would make the cost, with the war charges - 110*s.* 2*d.*

which has passed under review, against any inference of increased value of money beyond the difference between paper and gold, in the five years ending in 1832, as compared with the five years ending in 1813. Or, conversely, that in the five years ending in 1813, the average price of wheat affords no ground of inference of depreciation beyond the difference between paper and gold.

The ground thus failing of any charge against the operation of Peel's bill, in the interval between 1827 and 1832, from a reference to the price of wheat, the impugners of that measure have confined themselves to observing upon the considerable fall of prices which occurred in a great majority of other articles in that interval, in proof, as they allege, of the still increasing value of money, and according to their doctrine, of the increasing pressure, or, in the peculiar language of their theory, the greater stringency of the act of 1819.

SECTION 2. — *State of Markets for Produce and Commodities other than Corn from* 1828 *to* 1832.

It will be seen, by a reference to the tables of prices in the Appendix, that, during the greater part of this interval, while corn had been rising, and was at a comparatively high range, the prices of most other descriptions of produce were falling, and some of them experienced a lower point of depression than is observable in any other part of the period embraced by those tables. The following are some of the principal instances of the greatest depression, and the dates of the lowest quotations: —

Cotton, bowed Georgia, per lb.	5¼*d.*	to	6¼*d.*	in 1828-9
Tobacco, Virginia, —	2½*d.*	to	6*d.*	1831
Coffee, St. Domingo, per cwt.	31*s.*	to	33*s.*	1829
Sugar, white Havannah —	26*s.*	to	34*s.*	1831
Indigo, E. India superior —	4*s.* 10*d.*	to	6*s.*	1832

Copper, British, in cakes, per ton.	86*l.*	to	88*l.*	1831
Iron, British, in pigs, —	4*l.* 10*s.*	to	5*l.* 5*s.*	1832–3
Lead, do. do. —	12*l.* 10*s.*			1832
Tin, do in bars, —	73*l.* 10*s.*			1828

Many other articles, such as wool, silk, flax, tallow, likewise experienced their greatest depression at different periods in this interval, while corn was at a high range.*

* An elaborate "Statement of the prices of British staple articles and colonial produce, showing the rise or fall in the prices of the respective articles, for each year from 1826 to 1833," has been inserted in the Appendix to the Report of the Committee of the House of Commons on Agricultural Distress in 1833, having been delivered into the committee by Mr. William Moreton Laurence. The prices purport to be the quotations of the first week in January of each year, and a per-centage of rise or fall is inserted against each article, derived from a comparison between the prices of the first week of January 1826, and the first week of January 1833, sinking the per-centage of all the intermediate fluctuations. This statement, therefore, as far as relates to the proposed inference of a considerable fall, extending to the great majority of articles comprehended in it, is simply a comparison of the prices at the end of 1825 and the end of 1832, and is open to the same remark as I had occasion to make on the comparative statements of prices from the commencement of 1819 to the close of 1822, namely, that the point of commencement included a great part of the speculative rise of the period immediately preceding. Thus, in many instances of the quotations of January 1826, the prices were merely nominal, no actual transactions having taken place for several weeks; and if sales had been forced, as they were soon afterwards, the utmost prices obtainable would not have been within 20 or 30 per cent. or more below those quotations; while in other instances the result would have varied greatly, if the comparison had been made with the intermediate prices. But this, as all other statements of mere prices, if unaccompanied by an explanation of the circumstances affecting the supply and demand, as also the cost of production of each article, affords grounds for the most fallacious inferences. And it was evidently with a view to the most fallacious inference of a great increase of the value of money from diminished quantity, as contradistinguished from cheapness of commodities by increased quantity and diminished cost of production, that it was appended to the report in question. Independently however of the fallacy of inference from that cause is another very material one, namely, that a considerable proportion of the articles in the list consists of drugs and chemical preparations, as if it were not a necessary consequence of the improvements of

In the case of every one of the descriptions of produce which thus fell in price during this interval, a reference to the brokers' circulars, which as we approach to recent times are readily accessible, will show that the quantity on hand, or supposed to be forthcoming, was larger than any former estimate, and beyond the previously estimated rate of consumption.

Thus cotton, of which it was supposed, at different stages of its fall for some years before, that the supply could not be kept up without an advance of price, continued to increase in quantity, at less than half of what had been then said to be its lowest cost of production. The same, although not in so great a degree, was the case with silk and flax. Of indigo, the stock on hand had accumulated at the close of 1830 to an extent much beyond the estimated rate of consumption.

The increase of the supplies of coffee from Java, Brazil, and St. Domingo, till the close of 1830, was on such a scale as greatly to outrun the rapidly increasing consumption of Europe. And if a proof had been wanting, that the fall was not caused by the currency, it might be derived from the circumstance, that upon an abatement of the rate of supply relatively to the consumption, the price advanced 50 per cent. in 1830 and 1831, when, as we shall have occasion to see, the circulation was in a more contracted state than it had been in the two years preceding.

The fall in sugar and other colonial produce was fully accounted for on similar grounds.

Of iron, it is notorious that during the interval under consideration the extension of furnaces, and

science, that the cost of production of that description of commodities should be reduced. And among other articles figuring in the list, are the different numbers of cotton twist, the fall of the price of which is the twofold effect of the reduced cost of the raw material, and the very greatly reduced cost of manufacturing, by the application of improved machinery.

the application of increased powers of machinery, had caused such an augmentation of supply, as had greatly outrun an increasing rate of consumption.

In the case of lead, tin, and copper, there was not only an increase in the produce of our own mines, by the application of increased power and improved processes, but a competition in the export trade with foreign sources of supply; for instance, lead from Spain, tin from Banca, and copper not only from Russia, but from South America and Cuba.

Other articles might be enumerated, the fall of which might be as clearly accounted for; but these are sufficient for the purpose of general illustration in support of the negative of any presumption or inference to be derived from such fall, of an increased value of money; meaning, by increased value of money, a diminution of its quantity, while commodities are assumed to remain unaltered in the proportion of supply and demand.

And, independently of other grounds of conclusion in the negative of any perceptible influence from increased value, by diminished quantity of money, in the fall of prices of so many leading articles of consumption in this interval, the strongest possible presumption to the same effect is afforded by the circumstance that the lowest prices of some of these articles occurred between 1828 and 1831, while corn was rising and attained a high range of prices; and that the former description of articles rose, in some instances very considerably, when corn was falling. It may be said that the cause of the rise of the prices of corn was a deficiency of the crops. That is very true, but it is equally true, and susceptible of proof fully as clear, that in the case of every one of the articles that fell in price, there was actual or prospective abundance, or increase of quantity compared with the previous ordinary rate of supply, and actual or supposed diminution of the cost of production, to account for such fall.

The fall of prices of raw materials, and the still greater fall of the prices of manufactured articles, in consequence of the rapid improvements of machinery, had the effect of greatly extending the consumption both at home and abroad, and there was consequently a considerable extension of both the home and foreign trade, and the revenue was flourishing. But while the fall of prices was in progress, the importers, and the manufacturers, and the mining interests were, in some branches, suffering severely.* And allusion was made, as we have seen, in the King's speech at the opening of parliament in February, 1830, to complaints of distress among the manufacturing classes in some parts of the kingdom. There had, at different times during the fall, been a rally of markets from the influence of opinion that they had seen their lowest. Under the influence of this opinion, the importers and manufacturers were occasionally induced to extend their stocks; but fresh supplies, at a reduced cost, repeatedly disappointed their expectations, and entailed losses upon their previous

* Among the branches of business that suffered severely in this interval, was the private East India trade. Early in 1830, a very extensive failure of one of the principal banking and mercantile firms of Calcutta occurred, and was followed at intervals of some months by four or five other great establishments, which had been of long standing, and once possessed of vast wealth. It was computed that the aggregate of the engagements of the houses that failed at Calcutta between 1830 and and 1832, amounted to little less than fifteen millions sterling. In two or three instances their immediate connections in this country were involved and failed also. But as the principal part of the engagements of the Calcutta houses was confined to India, there was not so much of loss or discredit felt here in consequence of those failures, as was to have been apprehended from the enormous scale of their business. A full account of those extraordinary failures, and of the circumstances which led to them, as also much very valuable information respecting the fluctuations in the private East India trade, will be found in the evidence of G. G. de H. Larpent, Esq., before the committee of the House of Commons on manufactures, commerce, and shipping, in 1833.

purchases. The repetition of disappointments naturally abated confidence in the maintenance of markets, and the usual buyers became discouraged from embarking freely, even at the reduced prices, by a feeling of distrust, from having been before mistaken as to the probable sources of supply, and the lowest possible cost of production.

But as a state of rising markets, and eventually a high range of them, in consequence of supplies having for some length of time fallen short of expectation, or of the estimated rate of consumption, is usually followed, first by stagnation, and then by reverses; so a long course of falling markets is eventually followed by a reduction of stocks, while the consumption is extended; and this state of things is the precursor of improved markets, and of a period of prosperity in the branches of trade to which the previous distress from low prices had applied. Accordingly the fall and low range of prices observable through a great part of the interval now under consideration, laid the foundation for the activity and generally prosperous state which, as we shall have occasion to see, prevailed among the manufacturing, and mining, and trading classes, in the three years following the present epoch.

Section 3. — *State of the Circulation from* 1828 *to* 1832.

The circulation, as far as related to the regulation by the Bank of its issues, was, in the interval now under consideration, in a more equable state than in any of the preceding epochs (with the exception of that between 1803 and 1808), notwithstanding that in this interval the suppression of the small note country circulation had been accomplished. And it should seem therefore that

the substitution of the metals for those small notes had served only to absorb the gold which had flowed into the country by the balance of trade, and which would otherwise have created an incumbrance of treasure in the Bank of England in 1828, such as it experienced between 1821 and 1824.

The most considerable of the variations in the position of the Bank, in this interval, were in the amount of its treasure. These variations, however, although considerable, did not approach in extent to those which occurred in the interval which has recently passed under review. From February, 1827, to August, 1828, the amount varied only from 10,159,020*l.* to 10,498,880*l.* But in the six months from February, 1828, to August, 1829, there was a reduction of bullion to the extent of upwards of three millions and a half, while the other elements of the position of the Bank at those two periods, had undergone a comparatively inconsiderable variation. The following is a comparative statement at the two periods: —

30 August, 1828.

Circulation.		Securities.	
Notes of 5*l.* & upw.	£20,975,170	Public	£20,682,776
— under 5*l.*	382,340	Private	3,222,754
	21,357,510		23,905,530
Deposits	10,201,380	Bullion	10,498,880
Liabilities	£31,558,790	Assets	£34,404,410

28 February, 1829.

Circulation.		Securities.	
Notes of 5*l.* & upw.	£19,514,020	Public	£19,736,665
— under 5*l.*	356,830	Private	5,648,085
	19,870,850		25,384,750
Deposits	9,553,960	Bullion	6,835,020
Liabilities	£29,424,810	Assets	£32,219,770

There appear to have been, independently of the

innumerable minute causes which collectively produce considerable movements of the metals, the following circumstances which may have operated in this reduction.

1. The completion of the substitution of a metallic for the small note country circulation, which, however, after August, 1828, must have been a very insignificant amount.*

2. The war in the East of Europe, between Russia and Turkey, which distinctly drew an amount of about one million from the treasure of the Bank. Mr. Horsley Palmer, in his evidence before the Bank Charter Committee in 1832, p. 14., observing upon a demand upon the coffers of the Bank, although the exchange was *apparently* favourable, said, "There may be a temporary demand, and I may instance the years 1828 and 1829, as periods when there was a demand, at a high rate of exchange, for about a million of gold for the supply of the Russian army."

3. A considerable pressure on the money market of the United States in 1828 and 1829, as the consequence of extensive overtrading in 1827.†

* This substitution of coin for the small note circulation proceeded to its completion apparently without any perceptible derangement of the circulation, *and coincidently with a great advance in the price of corn.*

† It was with reference to the pressure on the money market in the United States in 1828, that Mr. Biddle, president of the United States Bank, published some observations in one of the American newspapers in 1828. After a clear exposition of the general principles of banking, he adds, "These simple elements explain the present situation of the country. Its disorder is overtrading brought on by over-banking. The remedy is to bank less and to trade less. During the last year, money was very abundant, that is, the demand for coin being small in proportion, the banks distributed freely their discounts and notes. This plenty concurred with other causes, especially the expectation of a new tariff, to induce an increased importation of foreign goods, and at the same time furnish great facility for procuring them on credit." "The course of business has been this: A merchant borrows from the banks and sends abroad

4. An importation of foreign corn, to a considerable extent, in consequence of the deficiency of the harvest of 1828 in this country.

5. A drain for Ireland, in consequence of discredit by the excitement prevailing in that country, and a run against the Provincial Bank. The sums that went for that purpose were supposed, according to the evidence of Mr. Palmer (p. 32., Bank Charter Report), to have amounted to about one million in 1828.

It is probable that not any one of those causes would alone have produced any perceptible effect on the circulation, or in the general position of the Bank; but collectively they produced a considerable impression, although, as will be seen, they had not the effect of reducing the Bank treasure much below seven millions, and that only for a short interval, after which a reflux to the full extent of the original drain occurred. There was some pressure

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100,000 dollars in coin, or he buys bills from one who has shipped the coin. With these he imports a cargo of goods, obtaining a long credit for the duties — sends them to auction, where they are sold, and the auctioneer's notes given for them. These notes are discounted by the bank, and the merchant is then put in possession of another 100,000 dollars, which he again ships; and thus he proceeds in an endless circle, as long as the banks, by discounting his notes, enable him to send the coin, and tempt him to do so by keeping up prices here by their excessive issues. The banks therefore begin by diminishing or withdrawing these artificial facilities, leaving the persons directly concerned in this trade to act as they please with their own funds, but not with the funds of the banks. The immediate consequence is, that the auctioneers can no longer advance the money for entire cargoes; that they no longer sell for credit, but for cash; that the price of goods falls; that instead of being sold in large masses, they are sold slowly, and in small parcels, so that the importer is not able to remit the proceeds in large amounts. This diminishes the demand for bills and for specie to send abroad. In the meantime the importer, finding the price of his goods fall, imports no more; and the shipper of coin, finding less demand for exchange, and that he can make more of his money by using it at home than by exporting it, abstains from sending it abroad."

on the money market, or, in other words, a rise, although to no inconvenient degree, in the rate of discounts.

Neither the variation of the treasure of the Bank, nor the pressure on the money market, in the twelvemonth following August 1828, would have been worthy of particular notice, but that, from the suddenness and the strength of the tide with which the metals were going out, apprehensions seem to have been entertained by the directors, and in a greater degree perhaps by the government, of a continuance of the drain to an inconvenient extent. It was on that occasion, accordingly, that those who were then considered as the highest authorities in money matters, endeavoured to impress upon the ministers of the day their notions of the impossibility of maintaining the convertibility of paper into gold, and to urge the policy of resorting to that most clumsy of expedients *a double standard.* Such was the importunity and the weight of authority of the partisans of the measure, that the ministers were prevailed upon to institute an enquiry into the merits of it, and evidence was taken upon the subject before the Board of Trade, and printed. Fortunately, the Bank directors were, I believe, much to their credit, opposed to the measure, and proved to the government that, in the event of their treasure consisting of a greater proportion than usual of silver, that metal, although not available for direct payment of its notes, might be made applicable to redressing the exchanges, by transmission of it against bills, or against purchases of gold abroad. And, as pending the enquiry, the exchanges turned, and gold was coming back as fast as it had gone out, the matter was dropped.

On the 26th June, 1830, the treasure of the Bank had risen to the very large amount of 11,795,000*l.* Soon afterwards, however, circumstances arose creating a fresh drain, and to a

more considerable extent, insomuch that on the 5th February, 1832, the amount was reduced to 5,088,000*l.*, being a diminution of little short of seven millions, since June, 1830. Of these circumstances the most obvious were,

1. The revolution in France, in 1830, followed by that of Belgium, and the war between Russia and Poland, causing a stagnation of trade and great discredit, and thus creating an increased absorption of the metals on the continent of Europe.

2. A renewed drain for Ireland in 1830, computed by Mr. Palmer, in the evidence already referred to, at about a million.

3. Renewed importations of foreign corn, of which there had been a pause during the decline of prices after the spring of 1829.

4. And chiefly the political disquiet and distrust which prevailed in this country from the first agitation of the reform question in November, 1830, to the final passing of the bill in the spring of 1832.

Thenceforward there was a reflux of bullion, although slower than on the preceding occasion, into the coffers of the Bank, which raised the amount in the two following years to nearly the sum from which it had been reduced.

A reference to the position of the Bank, as it stood in February and August in each year from 1828 to 1832, will be found to exhibit considerable steadiness in the amount of the circulation, and still more in the securities, while the fluctuations of the treasure were as considerable as those which have been described. In the securities the variations were very small; and this steadiness of them under the great fluctuations of the amount of bullion afforded a strong *prima facie* ground for the argument built upon it by the directors, in favour of the principle to be observed by the Bank, of preserving a nearly uniform amount of securities, and leaving the public to act upon the other elements of its

position. The circulation too, although not so uniform as the securities, did not vary in the same degree with the bullion. And the liabilities, instead of being in the proportion of three to one of the bullion, were in 1829 more than four to one, and in 1832 more than five to one.

It is clear therefore that if the Bank had been active, as it must have been in varying the amount of its securities, in order to preserve the proportion of one third of bullion (which has been considered as the desideratum) to its liabilities, the circulation must have undergone much more violent changes than those which occurred during these five years. And if the business of the issue of notes had been distinct from other banking operations, and confined to the exchange of paper against gold, and of gold against paper, so that the amount of the basis of the currency had varied exactly as it would have done if purely metallic, then, supposing the demand for bullion, whether for export or for internal purposes, to have been as it was, the variations in the amount of the circulation must have been very considerable, although not so violent as it might in some extreme cases be under the rule of one third of bullion to the liabilities.

The question more immediately bearing upon the purpose of this work is, how far the money market and the markets for commodities would have been differently affected, if the Bank had regulated its issues strictly by the variations of its treasure, instead of keeping its securities so uniform as it did. As regards the money market, there can be no doubt that the variations would have been much greater than they were. During 1829, under the very moderate reduction which occurred in the circulation, the rate of discount for first rate bills rose from 2½ and 3 per cent. to 4 per cent., which, being the Bank rate, formed the maximum for that description of bills; and there was an increased resort

accordingly to the Bank for discounts.* For second class and longer dated bills, as much as 5 per cent. was occasionally required and given. But the pressure was of very trifling duration, as well as extent, and was not attended with any commercial discredit, or the slightest derangement of the general circulation, notwithstanding the recent suppression of the country small notes. The case, I apprehend, would have been very different if, instead of the Bank being passive, or nearly so, and holding a rather increased amount of securities, as it did in 1829, it had forcibly reduced them, so as to have made the reduction of the circulation to correspond with the reduction of the bullion. Upon the present footing of the business of the Bank, a forcible reduction of the securities would entail a withdrawal of deposits, and so tend to neutralise the attempt, unless it were pushed to an extreme length. We will suppose, therefore, the business of issue to have been kept distinct from the other business of the Bank, and that its circulation had been made to vary exactly with the variations of bullion. There must in that case have been a reduction of issues to the extent of nearly two millions below the amount as it stood in February, 1829. Now, as there was already some pressure on the money market at that time, under a contraction so small as that which had then occurred, the additional pressure from a

*The increase of discounts at the Bank, in the early part of 1829, would have been somewhat greater, had it not been that the directors, in the exercise of a sort of censorial power which they assumed, and professed always to act upon, of throwing out paper, whatever might be the names attached to it, which appeared to be connected with extensive speculation in any particular branch of trade, rejected, at the time here alluded to, all the bills offered for discount that appeared to be at all connected with transactions on the Corn Exchange. The circumstance may have added to the causes of stagnation and decline of the corn markets which then manifested themselves, but it would otherwise have had no influence.

further reduction, to the extent of two millions, might have proved of considerable severity; and the transition to an increase of the circulation in 1830, to correspond with an increase of bullion, to the extent of four millions and a half, would have been felt in a sudden glut of money seeking employment at a greatly reduced rate of interest. It is true that, if the reduction of the circulation had proceeded *pari passu* with the drain, the loss of treasure would not have been so great, and the restoration of it would have been sooner effected; but still there can be no doubt that the variation would, upon a strictly metallic basis, have been greater than it was under the actual regulation, and consequently that the fluctuations of the money market would have been greater than they actually were. The variations in the amount of bullion between 1830 and 1833, were on a still larger scale, and would consequently have entailed a greater variation of the circulation, and considerably greater fluctuations in the rate of interest than those which occurred.

As relates to the markets for produce, the difference of regulation of the issues would have entailed, in the instance of some descriptions, perhaps more of fluctuation, but little if any difference of the price on the average of the whole period. If in the cases of any of the markets for goods, the tendency from other causes was to a rise or fall, any coincident enlargement or contraction might possibly, although not certainly, accelerate and increase that tendency; but as long as the standard was preserved, whatever might be the fluctuations, the point of subsidence and the average price would be determined by the cost of production, and the supply compared with the ordinary rate of consumption. It is moreover specially to be kept in view, as relates to the supposed influence of the currency upon prices, that during this interval the variations

of the prices of corn were, for the most part, in a direction exactly opposite to the variations of the circulation; but, in as far as whether in its influence on the money market, or on the markets for corn and other produce, uniformity, or a certain equableness in the amount of the circulation, is considered to be desirable, it must be admitted that the regulation of the Bank issues, in the five years ending in 1832, presented more uniformity than could have been preserved if the notes had varied as the amount of bullion varied.

SECTION 4. — *Summary of the preceding Survey.*

The interval that has passed under review, not having been marked by such great changes in the rate of interest or in prices, or in the state of credit, and in the general circulation as characterised the former epochs, presents fewer prominent points to be borne in mind. Those which it is most desirable to keep in view, with reference to the conclusions to be drawn as to the influence of the currency, are,

1. That after the cessation of the circulation of the country small notes, and during a contracted state of the currency, the price of wheat was, on the average of five years, ending in 1832, 61*s.* 2*d.* the Winchester quarter, which price, adding only, at a very moderate computation, the extra charges which formed the condition of a foreign supply in the interval from 1808 to 1813, namely, 44*s.* per quarter, would render the average of the more recent period, if the same political obstructions had existed, equal to that of the last five years of the war. And if there were superadded in the five years ending in 1832, the apprehension which prevailed, and indeed was realised in 1811 and

1812, of not receiving any foreign supply at all, there is every reason to believe that, in the more recent instance, the prices would have been considerably higher than in the closing years of the war.

2. That the prices of imported raw materials, and of the mining products of this country, were mostly falling during the period under review, but that in every instance the circumstances affecting the cost of production, and the supply compared with the ordinary rate of consumption, were sufficient to account for the fall.

3. That in this, as in some of the former intervals, the circumstance of the opposite tendencies of the markets for provisions, to those for other produce, is decisive against the hypothesis of the influence of a single cause, such as that of the currency.

4. That with reference to the regulation of the Bank issues in this interval, there were considerable variations in the amount of bullion, while the securities were preserved in a considerable degree of uniformity, and the circulation varied much less in proportion than the treasure.

CHAPTER X.

STATE OF PRICES AND OF THE CIRCULATION, FROM THE COMMENCEMENT OF 1833 TO THE CLOSE OF 1837.

In the period which we are now about to enter upon, and which will bring to a close the historical sketch of prices and of the circulation which it has been the purpose of this work to exhibit, the fluctuations of markets, and of the circulation, and of the state of credit, although not so striking as those which occurred in some of the preceding periods, have been attended with circumstances of no ordinary interest, and have opened fresh grounds of controversy on the long agitated topic of the regulation of the currency.

We have seen in the interval which has just passed under review, that, during the greater part of it, while corn had been rising and had ranged at prices which, allowing only for the difference of the charges of importation, were as high as the average prices of the five years from 1808 to 1813, most other descriptions of produce had been falling, and were at an extreme, and in some instances an unprecedented, degree of depression. We shall now have to see that while, in the three first years of the epoch which we are entering upon, the prices of wheat fell progressively, and experienced a degree of depression below any that is recorded within the last sixty years, the prices of most other descriptions of produce were rising. The variations in the markets for these different descriptions of produce in the two last years, namely, 1836 and

1837, have been more irregular, but not less susceptible of being accounted for on grounds distinct from the currency theory. The explanation, however, will in each case be more conveniently and clearly afforded by a subdivision of the interval under examination into two periods, the one embracing the fall of the price of wheat from the close of 1832 to the close of 1835, and the coincident rise of the prices of other descriptions of produce; and the other, and the closing period of the present sketch, will exhibit the variation of markets, connected, among other causes, with the recent derangement of credit in the commercial intercourse between this country and the United States of America.

SECTION 1. — *Fall of the Price of Wheat from the Harvest of* 1832 *to the Close of* 1835.

We have had occasion, in the review of the last epoch, to observe, that the produce of the harvest of 1832 was found to be generally abundant, and that from the completion of that harvest till the close of the year there had been a considerable fall of the prices of corn. The prices of other descriptions of food had likewise fallen. This transition from the comparatively high range of the prices which had prevailed during the preceding four years, to a state of relative cheapness of provisions, while it greatly improved the condition of the bulk of the community, gave rise, as usual on such occasions, to complaints of agricultural distress.

In the speech from the throne, on the opening of the session of 1833, the distressed state of agriculture formed one of the topics recommended to the consideration of parliament. A select committee of the House of Commons was in consequence appointed to inquire into the state of agriculture. In the examinations by that committee a question to

the following effect was put to nearly all the witnesses, who, as occupiers, or surveyors, or land agents, were supposed to be competent judges: "Speaking of the district you are best acquainted with, should you say that the cultivation was stationary, was improving, or going back, on a comparison of the last ten or twenty years?" The answers, with very few exceptions, were to the effect, that the cultivation of the inferior soils and heavy clay lands was in a state of progressive deterioration; and some of the witnesses stated, that the gross produce of such lands had undergone a diminution to the extent of from one fifth to one fourth. One or two instances indeed were mentioned, in which the cultivation in certain parishes had been wholly abandoned. It was upon such evidence that the committee in their report stated as follows: — "The committee of 1821 assumed, what they believed to be then true, 'that the annual produce of corn, the growth of the United Kingdom, was, upon an average crop, about equal to the annual consumption.' Your committee, on the contrary, is satisfied, by the strongest concurrent testimony from different parts of Great Britain, that the occupiers of the inferior soils, especially of heavy clay land, have of late expended less capital and labour in their cultivation. This neglect, arising from low profit, and prices inadequate to the cost of production, combined with a series of wet seasons, peculiarly disadvantageous to land of this description, has caused a diminution in the gross amount of produce; and the discontinuance of the use of artificial manures, together with a system of overcropping, has impaired the productive power of these inferior soils; and in some cases, where the poor rate is heavy, their cultivation has been entirely abandoned."

The above passage would lead to the inference, that the wet seasons were only accessaries, and that

there were more permanent causes in operation tending to diminish the annual produce.

The committee, after quoting Mr. Jacob's evidence *, as a ground for the supposition that the stock of wheat on hand at the commencement of harvest was very low compared with what it had formerly been, proceed to observe, "On this branch of the subject, after the most full enquiry, and the most careful examination of the evidence, your committee have formed a decided opinion, that the stocks of home-grown wheat in the hands of the farmer and of the dealer, at the time of harvest, have gradually diminished; that the produce of Great Britain is, in the average of years, unequal to the consumption; that the increased supply from Ireland does not cover the deficiency; and that, in the present state of agriculture, the United Kingdom is, in years of ordinary production, partially dependent on the supply of wheat from foreign countries."

How far these conclusions have been borne out by subsequent experience and evidence of facts, will be seen hereafter. There is one point, however, which the whole tenor of the evidence before the committee of 1833 tended to establish beyond doubt, and that is the improved condition

* "Do you conceive, taking the dealers — from the great dealers in seaport towns to the small dealers in market towns — there is a lessening in the stocks such persons hold?" "Certainly, of English wheat." "Can you state in what proportion to the time the stocks were considered high?" "I did suppose at one time, when we had a harvest in 1816 which was so very deficient, we had then six months' consumption (about six millions of quarters) in the country. I do not think there has been a month's consumption in the country at the time of harvest since 1829." "Can you form any opinion of what was the cause of the reduced stock in the hands of the farmers?" "I suppose in some measure the reduction of capital; they have been paying a great deal of rent out of their capital."—Evidence of William Jacob, Esq., *Report of Agricultural Committee*, 1833, p. 6.

of the agricultural labourer; the fact is thus noticed in the report: — "Amidst the numerous difficulties to which the agriculture in this country is exposed, and amidst the distress which unhappily exists, it is a consolation to your committee to find that the general condition of the agricultural labourer in full employment is better now than at any former period; his money wages giving him a greater command over the necessaries and conveniences of life."

There can be the less hesitation in assuming that this conclusion has been most completely established by that evidence, because it came out in defiance of the most persevering cross-examination of witnesses, whose habitual bias accorded with that of the examiners in favour of the theory that the condition of the agricultural labourer is improved by high prices of corn. And this admission by the committee is the more remarkable, inasmuch as the inference that would inevitably flow from it is essentially at variance with that passage already quoted of the report, wherein the committee state, that they are "satisfied by the strongest concurrent testimony from different parts of Great Britain, that the occupiers of the inferior, especially of heavy clay, land, have of late expended *less capital and labour in their cultivation.*"

The promulgation by that report of opinions so confident, founded on information so extensive, and apparently upon testimony to be relied upon, of a deteriorated and diminished cultivation of the land, and of the insufficiency of our own growth to supply the annual consumption, had the effect, combined with other circumstances, of arresting the fall, and, for a short time, of somewhat improving the corn markets in the spring and summer of 1833.

The winter of 1832–3 had been open and wet. The spring, likewise, of 1833, with an interval of

about a fortnight of dry weather in March, was wet; more especially throughout the month of April, and until the first two or three days of May, 1833, when it became fair, and so continued through the greater part of May and June. The proportion of brilliantly fine and hot days in those months was very unusual for this climate. The weather was so forcing and parching as to stunt the growth of the spring corn, and to excite some apprehension for the wheats.*

The latter half of June and the whole of July were attended with seasonable showers. But on every occasion of rain there was an impression of the danger of a wet season succeeding to the extreme drought; and this impression, combined with reports, at the approach of harvest, of thinness of the plant of wheat, combined, also, with the opinions promulgated by the agricultural committee, had the effect of sustaining, and in some instances raising, the price of wheat; while, as it was clear that the spring crops were deriving great benefit, with little comparative risk, from the rain, the prices of spring corn fell. Thus, on the 26th of July, the average prices were —

			s.	*d.*
Wheat	-	-	56	4
Barley	-	-	25	11
Oats	-	-	19	2

On the 15th of November, when the harvest had been secured, the prices were —

* It may be worth here noticing that, on the 11th June of that year, there sprung up suddenly a westerly gale of wind, amounting for a few hours, in the middle of the day, to a hurricane, which had an extraordinary withering effect on all vegetation that was directly exposed to it. The leaves of the trees, which had received the full force of the wind, looked literally scorched. The flag of the wheats, then coming into bloom, was discoloured by the blast, in the district to which it extended; and it was apprehended by some persons that the grain must have sustained injury from that cause; but the apprehension proved to be unfounded.

	s.	d.
Wheat - -	51	4
Barley - -	31	2
Oats - -	19	9

The wheat crops, although they were, from the dry and sometimes parching character of the summer, rather thin on the ground, were found to yield well; and the whole of them having been secured in good order, the markets became abundantly supplied, and prices continued to fall to the close of the year.

The winter following, viz. 1833-4, proving to be, equally with the preceding winter, mild and open, so as to spare the consumption of dry food, spring corn fell more considerably than wheat. But thenceforward, barley and oats, and peas and beans, advanced, while wheat continued to decline. After a mild winter, rather wet, but with little or no snow, the spring of 1834, with the exception of the month of April, which was cold, proved to be forward; and the months of May and June were, as in the former year, brilliantly fine for the greater part, accompanied by a high temperature. On the light and burning soils, the spring crops suffered again considerably from the dry weather. This was relieved in some degree, however, by the occasional showers which fell in the latter part of June and during the subsequent part of the season, so as to refresh and repair the spring crops, and to give bulk to the wheat, preserving, however, the character of a dry season. The weather for the harvest was generally fine, and, with the exception of a district within about 20 or 30 miles of London*, all the crops were secured in good

* On the 30th July, 1834, there was in London, and in the direction from thence westward into Berkshire, a very heavy rain, with a still and close atmosphere, and a high temperature, the thermometer at 80. This description of weather, within the extent to which it reached, namely, about thirty miles, and for the time during which it lasted, fortunately not very long, in-

order; proving the harvest of that year to have been, upon the whole, one of the most productive upon record.

After the conclusion of the harvest of 1834, there not being a dissentient report, either as to the bulk on the ground, or the great yield of the wheat harvest, there being also still a good deal of the old stock on hand, the markets naturally declined thenceforward, and at the close of the year the average price was 40*s.* 6*d.* But spring corn and pulse, though they had recovered greatly from the drought of the early part of the summer, maintained a higher relative range, the average at the corresponding time being —

		s.	*d.*
for Barley	- -	31	1
Oats	- -	22	0
Beans	- -	37	1
Peas	- -	41	9

The winter of 1834–5 was as open, and as much marked by an absence of snow, as the three preceding winters. There was a good deal of rain in March, but upon the whole, the spring of 1835 was favourable, both to farming operations and to the progress of vegetation, but more especially of the wheat crops; and the early summer, that is until the last week of June, was brilliantly fine. The spring crops had again suffered, though not in a severe degree, from want of rain; but the wheats had mostly passed their blooming, and were of extraordinary bulk and luxuriance, and promised to equal, if not to surpass, the crop of 1834. But in the last few days of June, there came on very heavy rains, accompanied by high winds, which laid the crops more extensively than perhaps was ever

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jured the condition of the wheat that came within its range, very considerably, without however materially affecting the bulk, which was universally great.

known to have occurred in the same space of time. Fortunately, after three or four days' duration, this inclement weather was succeeded by bright days and brisk breezes, which prevented further damage. But, from the great bulk and talness of the straw, very few of the fields so laid ever recovered their upright position, and the ears consequently ripening near the ground, did not fill so well as they otherwise would have done. It was from this cause chiefly, that the crop of 1835, although the bulk of straw was almost beyond precedent, and the weather, after the end of June, was the most propitious possible for the ripening and securing of the harvest, was decidedly inferior upon the whole in yield to that of the preceding year, at the same time little, if at all, short of an average. On this point, the greater part of the witnesses before the agricultural committee are agreed. Some few, indeed, state their crop of wheat in 1835 to have surpassed that of 1834; and this is not improbable, of such as escaped the effects of the heavy rains at the end of June. The crops throughout the kingdom were secured in the best possible order, and fit for immediate use; and coming thus early to market, they entailed a ruinous competition with the old wheats, of which the stock was unusually large, and in respect of which the holders began to despair of benefit by keeping any longer. Under these circumstances the markets naturally declined; and nothing can more clearly shew the strength of capital still remaining among the farmers* than that the pressure, and the consequent decline of prices, were not greater than they proved to be.

* That much farming capital has been lost by the pertinacity with which in many instances rents, calculated upon long periods of dearth, were maintained after the return of abundance, and its necessary consequence, cheapness, cannot admit of any reasonable doubt. But the most gross exaggeration has prevailed in representing the farmers as being very generally in a greatly impoverished state. That many are so, where rents continue to

The lowest point of depression was in the last week of December, 1835, and the first of January, 1836, when the average price of wheat was 36*s.* for the imperial quarter, equal to 34*s.* 11*d.* for the Winchester quarter. This great depression of the price of wheat gave rise to fresh complaints of agricultural distress, and select committees were appointed, respectively by the Lords and Commons, early in the session of 1836, to enquire into the nature and causes of the alleged distress. The tenor of the information elicited by these committees was little calculated to bear out the views of the persons who had moved for them. The consequence was, that no report could be agreed upon by either house; and the evidence only was laid upon the table of each house, and eventually published. It seems, however, that the chairman of the Commons' committee had prepared a report, which, not being palatable to the promoters of the ultra-agricultural claims, was negatived. The intended report subsequently appeared in the form of a letter from Mr. C. Shaw Lefevre to his constituents. It contains a very lucid and impartial exposition of the conclusions to be derived from the examinations by the committee. Mr. Hutt, late M. P. for Hull, has also published a compendium of the evidence, with a few judicious introductory observations. To these publications, such of my readers as may feel an interest in the subject, but may not have the courage to wade through the voluminous mass of evidence constituting the reports, are referred for an epitome of the most unquestionable proofs, in refutation of the opinions promulgated by the agricultural com-

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be strained, may easily be supposed; but that they are generally so may fairly be doubted, seeing the state of improved and improving cultivation; but more especially may it be questioned, upon the single fact of the very large stocks of wheat held over of the crop of 1834.

mittee of 1833, of the deteriorated cultivation of the land, and the consequent diminution of produce. The whole tenor of the evidence, indeed, not only negatives the decline, but establishes the improvement and extension of cultivation, and the increase of produce; and it further proves, beyond dispute, the gratifying fact, that the condition of the agricultural labourer had been greatly improved, coincidently with the further fall in the prices of necessaries, his money wages not having been reduced in the same proportion.

The evidence, as to the deficiency of the produce of wheat, in the seasons of 1828, 1829, 1830, and 1831, has already been stated; and it is not only admitted by the partisans of depreciation, but there is, throughout the examination by the committees on agriculture, a disposition to exaggerate the deficiency, in order to bring out the conclusion that, while the scarcity arising from the seasons is sufficient to account for the comparative elevation of prices in those years, in spite of the continued depressing force of the currency, there has been no such abundance of the produce of wheat in the four succeeding seasons, as to account for the subsequent fall of prices, except in a small degree, otherwise than by a reference to the operations of Peel's bill. It was very well put in the Lords' committee on agriculture, in a question to one of the witnesses, who considered the fall of prices to be mainly caused by the currency: "Whenever there happens to be a rise, you look out for some justification in the state of the harvest; and whenever there is a fall, you look out for some justification in the state of the currency, abandoning any argument to be drawn from wet harvests, or the operation of the weather?"*

* See evidence of E. S. Cayley, Esq. M. P. before the Lords' committee on agriculture, 1836, p. 279.

The evidence contained in both the Lords' and Commons' committees on agriculture, in 1836, as to the fact that the four seasons ending in 1835 were, as a series, extraordinary in their produce of wheat, is so full, and given by farmers, and surveyors, and corn-dealers, who were all interested in obtaining accurate information, and most competent to form a just conclusion, as to leave hardly the pretence for a doubt on the mind of any person who will be at the trouble of examining it.

I will instance only the following as specimens, taken from among the most eminently practical of the witnesses, from different parts of the country: —

Mr. John Ellman, Glynde, near Lewes, Sussex, (one of the most extensive, experienced, and intelligent farmers of the day,) examined. "Has there been a great increase in the produce of wheat in your neighbourhood in the last three years?" "Upon the clay lands the produce has been most extraordinary." "Is it owing to a greater quantity being sown with wheat, or owing to the increased fertility of the soil, in consequence of favourable seasons?" "Owing to the dry weather, which is always favourable to the growth of wheat in those particular soils." "Has the wheat been of better quality than in previous years?" "Much better." "And consequently it would produce a larger quantity of flower?" "Yes." "Do you think that the increased production of wheat, and the increased weight of the wheat from its better quality, would be sufficient to account in any way for the low price of wheat at present?" "I think so, certainly." "Should you say there has been any decrease in the consumption of wheat?" "I do not think that there has in our neighbourhood; on the contrary I think the consumption has increased." "Do you consider the general increase of which you speak is equivalent to the great fall of price between 1833 and 1835?" "I have no doubt of it." "When you speak of the extraordinary crops, you speak of other people's land, not your own?" "It does not apply so much to the light soils as to the clay soils in our county." "What do you consider to have been the increase in the average yield upon the clay soils in your county?" "I consider upon those clay soils twenty bushels an acre to be the average in general, and I think for the last year they averaged at least thirty." "You consider there was an increase of ten bushels an acre?" "At least that."

Mr. John Ellis, Beaumont Lays, near Leicester, with reference to the crops of the three years ending 1835, said, "I

never knew three years together so abundant since I have been a farmer, and I have been a farmer twenty-five years." "Is it to the great productiveness of the crop that you mainly ascribe the low prices of wheat?" "It is to the great productiveness of the crop, and to the great increase of quantities sown the last three years."

Mr. James Fison, Thetford, Norfolk, maltster, corn and seed merchant, examined. "Have the crops of wheat the last three years been greater than average crops?" "Decidedly so. I am inclined to estimate the crops of wheat of the last three years at nearly equal to four average years, taking into consideration all circumstances in connection with the crop; for instance, the great increase in the number of acres sown; secondly, the great increase of the produce per acre; and, thirdly, the superior quality of the grain.

Mr. Robert Hope, at Fanton Barnes, near Haddington, occupier of 520 Scotch, or about 650 English acres. "What has been the state of your crops the last three or four years?" "We have had very good crops the last four years?" "Good crops of wheat, or of every description?" "Generally speaking, all the crops have been good; but of the wheat every crop the last four years has been fully above an average crop." "When did you take this farm?" "I succeeded my father. I have been there since I was very young; since the year 1801." "Then you can say confidently that the crops of the last four years have been considerably more than the average of the preceding years?" "Decidedly superior." "Can you state what was the average of the three preceding years?" "The last four years my wheat crop has averaged 607 quarters, exclusive of the seed; it is about 657 quarters of wheat, upon 145 Scotch acres, that is, upon 175 English acres." "What was the average of the four years preceding?" "For the four years, 1828, 1829, 1830, and 1831, my wheat averaged, upon the same quantity of land, about 385 quarters." "Has that very considerable increase beyond the average arisen from the favourable nature of the seasons, or from the improvement of the farm?" "Chiefly from the favourable seasons; the improvement has had its effect in a small degree, but chiefly from the favourable seasons for the growth of wheat."

That, however, which, independent of the evidence as to seasons, may be considered quite decisive of the fact of superabundance of the produce of wheat, is the circumstance that, not only did the yield of it suffice for the consumption of the country, without the aid of a foreign supply beyond the insignificant quantity which was entered for consumption, at a high duty, in 1832, but that

it left a very large, an unusually large surplus, at the harvest of 1836. Now, it has been a received opinion, sanctioned as we have seen by the report of the agricultural committee of 1833, that in average seasons we did not grow enough for our own consumption; and many persons acted upon that opinion, farmers as well as importers, who took for granted that two, or at the utmost three, and certainly not four years could elapse, without the necessity of a foreign supply, which necessity could not be felt without raising the price above 60*s*. It required, therefore, according to the received computations, a series of more than average crops, to have carried us on to the harvest of 1836, without any surplus. But we had a large surplus, the proof of which is not only in the evidence before the agricultural committee of the House of Commons, which is not indeed precise or conclusive, but in the decisive fact, that the new wheat of the crop of 1836 having been in great part in damp condition, and unfit for use without a large admixture of old, the markets were largely supplied, those in the north almost wholly so, during some months after the harvest of 1836, by wheats of the three preceding harvests. And this great surplus remained, not after a consumption diminished, as has on some former and somewhat similar occasions been asserted, by a stagnant or declining state of trade, or by a general state of distress, but after a consumption which is acknowledged to have been upon a scale of extraordinary magnitude.

The consumption of wheat in 1835 was not only on an increased scale for human food, in consequence of the more general employment, at full wages, of the population, more especially of the manufacturing population, and in consequence also of the *comparatively* high price of potatoes, and of oatmeal, and barley meal, and of animal food; but it was likewise greatly increased, by having served

for cattle feeding and pig feeding, and for malting and distilling. All this enormous extra consumption told so little in abatement of the excess of supply, that the pressure on the markets, and the fall of prices, were not arrested till grounds of doubt arose, not as to the magnitude of the existing stock, but as to the prospects of the ensuing season. The extra consumption of wheat, so notorious in 1834 and 1835, was in part occasioned by some degree of deficiency of the crops of barley and oats, and beans and peas; and among the amusing exhibitions of reasoning in the examinations by the agricultural committees, not the least so is the constant attempt to shew that the relatively high prices of barley and oats were the effects of deficiency of produce, and not of sufficiency of currency, while the low price of wheat was not the effect of a more than sufficient produce, but of a less than sufficient currency. No doubt the spring crops were more or less deficient; and if it had not been for the superabundance of wheat, which was so largely substituted in consumption for them, the prices of spring corn would have been still higher. As, on the other hand, had it not been for the deficiency of the spring crops, the price of wheat, low as it was, would have been still lower. It is, moreover, to be observed, that the casual deficiency, and relatively high price of spring corn, not only increased the consumption of wheat, and so far improved the value of it, but it had the effect of inducing, at the close of 1835, a diminished sowing of wheat to be substituted by an extended breadth allotted to barley and oats, the impression of which diminished sowing of wheat was the first occasion of the tendency to an advance of price at the commencement of 1836.

Of the great fall in the price of wheat, it has thus been seen how fully the whole is accounted for by the excess of supply, relatively to a greatly

increased consumption; while there exists a complete negative of the perfectly gratuitous hypothesis of an action of the currency, in causing that depression, or any part of it. For, as to the amount of the circulation, the Bank issues underwent hardly any perceptible alteration between the close of 1831 and that of 1835, while the circulation of the joint-stock banks was greatly increased, coincidently with the continued fall in the price of wheat, of nearly 20*s.* the quarter, from the close of December, 1832, till February, 1836; and it will be seen, that coincidently with the great fall which has here been noticed in the price of wheat, to the close of 1835, there had been a great and progressive extension of trade and manufactures, and a rise in the price of several descriptions of produce, of which the consumption had outrun the supply, large as that had been.

SECTION 2.— *State of Trade and Manufactures, and Prices of Commodities, from the Commencement of* 1833 *to the Close of* 1835.

In the closing remarks on the state of markets and prices (exclusive of those of corn), at the termination of the last epoch, occasion was taken to observe, that after a period of some continuance of declining prices, the final subsidence was usually the precursor of a sound and healthy, and generally progressive, state of improvement. This remark is exemplified in a striking manner, by a view of the state of things at the commencement of the period now under consideration. The means of exhibiting this view in the clearest and fullest light, is afforded by the unwearied efforts of the partisans of the currency doctrine, to bring before the public what they conceive to be the proofs and illustrations of their theory.

A committee of the House of Commons had been, as we have already had occasion to observe, appointed early in the session of 1833, to enquire into the causes, with a view to the remedy, of the alleged agricultural distress. And as the allegations of distress and the claims for a remedy, were founded on the circumstance of a considerable fall of the prices of corn within only the preceding six months, after a comparatively high range during the preceding four years, a *prima facie* case clearly existed in a still greater degree for the allegation of distress among the trading, manufacturing, and mining and shipping interests, and for the consequent claims of those interests to the attention and assistance of parliament. In all these great branches of industry, the fall of prices had been much greater, and of much longer continuance; indeed, in most of them, the fall had been in full progress while the prices of corn had been rising; and there were necessarily individual cases of great loss, and consequent distress, among some of the producers and holders of the articles which had experienced so great a fall. There was, therefore, an unanswerable argument, furnished by the concession of a committee to consider of agricultural distress, for the appointment also of a committee to enquire into the state of manufactures, commerce, and shipping; and a select committee was accordingly appointed for that purpose, on the 3d May, 1833.

Now, what was the tenour of the information resulting from the examinations of this committee? Instead of general distress in the trading community, bordering on universal insolvency, which might be inferred from the statements of the movers for the committee in the House of Commons, it came out, on evidence the most unquestionable, that the trade and manufactures of the country were in a remarkably sound and healthy

state; that they were carried on with adequate capital and reasonable returns; and that there was a general confidence in the prospect of improving markets for all the great staple articles, both of export and import.

The first witness examined by the committee, 14th May, 1833, was Mr. Samuel Gurney, who, from his very extensive connections and dealings in money, both in London and some of the great provincial towns, has means beyond those of almost any other individual of judging of the general state of commerce and manufactures, while his intelligence and clear good sense, and absence of any peculiar bias, qualify him in a peculiar manner for forming just conclusions from the extensive range of information which his business daily places before him. The following are a few extracts of his evidence: —

"Will you have the goodness to state to the committee what, from your observation, you consider to be the condition of the trading interests?"

"From what appears at this time, I think the trading interest is in a sound state, and moderately prosperous in most directions."

"Do you speak of their present condition, as compared with former periods?"

"Yes, I speak of their present condition, as compared with previous periods; we have had times of equal, if not greater prosperity, certainly."

"What test would you take as a fair evidence of the prosperity of which you speak?"

"Remarkably few failures; a very great number of bills of exchange, rather small in their character, yet the aggregate well kept up, coupled at the same time with great supplies of money from almost every part of the kingdom. I should add, as another feature, the great regularity with which such bills are paid."

"Do you think the last twelvemonth, as compared with any twelvemonth not affected by peculiar circumstances, is rather more than one of ordinary prosperity?"

"I consider it may truly be termed one of wholesome prosperity."

"Should you say that the particular feature, at the present moment, is a disinclination to invest capital, or a tendency towards speculation?"

"My own apprehension is, that there is a willingness to enter into commercial and trading transactions, and that the tendency of our present state is rather towards excitement, and a gradual advance of price, which will ultimately tend to a reverse to a certain degree."

"Is there, then, a good prospect of return for capital, if embarked in trade?"

"I think that capital, generally speaking, does make a fair return."

"Have you observed, with respect to the present time, that the disposition of capital is to seek permanent investment, as much as in former times; or rather temporary investment, and for short periods?"

"I think there is a vast deal of money for permanent investment, as well as for temporary investment."

"Is there not less tendency, now, to borrow, and a greater tendency to lend, wherever good security can be obtained, than formerly?"

"There is: I remember the time when the procuring money, upon excellent mortgages, was very difficult, even at 5 per cent. It is now difficult to get money well invested on mortgage at even 4 per cent. I remember the time when it was extremely difficult to get capital to carry on any business, whether manufacturing or commercial; but at this time there is no difficulty, provided that the parties that require it have a good concern, that renders such advance prudent."

"You confine those observations to the loan of money, and you do not apply them to the purchasing power of money; that is to say, to the use of money only, and not to the ownership of money as principal?"

"I speak of the comparative facility at the present day, as compared with former periods, in procuring capital for permanent investment either in trade or mortgage."

"Are you of opinion that, as matter of interest, money is now cheaper than formerly?"

"It is."

"You are aware that the ownership or purchase of money is one thing, and the loan or use of money is another?"

"I am aware of it."

"Would it not therefore follow, that if there were a state of low prices which render trade very precarious in its profits, that state of things must have a tendency to determine a great proportion of the general money of the country into the interest market?"

"When trade and commercial transactions are very precarious, such is the tendency; but it is the cause * of the abun-

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* There is in this part of the sentence an obvious inaccuracy

dance of money which exists in the present day. There is a reduction of profit, but also a reduction of risk; such reduction of profit, in my opinion, arises from the great mass of individuals possessing trading intelligence and moderate capitals; it is in my judgment the result of our health and general well-doing, rather than the contrary."

After a great deal more of valuable evidence tending to the same effect, the following is the concluding part of his examination: —

"Of course you know the Royal Exchange, and many of the merchants who assemble there?"

"I know most of the merchants in the city of London."

"Do you think that there are as great a number of merchants there in the habit of meeting daily as during the war?"

"I think there are."

"Do you think they possess upon the average as much wealth as they did during the war?"

"My opinion is, that they possess more. I think we have rather a greater number of merchants, and possessed of more property: I cannot apply it to individual cases, but taking the aggregate, I think there is more property."

"Do you think there are a smaller number of very wealthy merchants?"

"I think there are perhaps a smaller number of very wealthy merchants than there were during the war. I think the effect of the war was to create a few merchants of very great wealth." *

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in the printing of what must have been the tenour of the answer. The question involved the supposition that it was wholly owing to the precariousness of trade, that is, the great risks attending it, which occasioned the low interest of money. Mr. Gurney's answer clearly imports, that although such *might be* the effect of precariousness of trade, it was the abundance of money, and the smallness of the risk, which, in the actual state of things, caused the low rate of interest.

* This part of the examination of Mr. Gurney has a reference apparently to the following passage of the speech of Mr. M. Attwood, on his moving for the appointment of a committee to inquire into the distressed state of the commerce, and manufactures, and shipping of the country: — "It has been said, that a correct notion of the state of the mercantile interest of England may be obtained by observing the number and character of the merchants who assemble on the Royal Exchange of London. Now, I affirm, in the presence of persons connected with the mercantile interest, that there is not one third of the opulence to be found amongst the merchants assembling on that great mart of commerce which was to be seen there fifteen years ago. If this fact be not denied — and I do not expect that it

The next witness examined was Mr. Lewis Lloyd, the eminent banker (and head of the firm of Jones, Lloyd, and Co.), whose great experience and intelligence, and whose extensive connections with the commercial interests of the metropolis, and with the manufacturing interests of Lancashire, and other parts of the country, enable him to derive his conclusions from a very wide range of observation, and entitle him to be considered as of the highest authority on the points in question. The following are a few extracts from his evidence: —

"Are you a banker in London?"

"I am."

"You are at the same time a banker at Manchester?"

"I am."

"From the extensive nature of your business, you are acquainted with the general condition of trade in the metropolis, and in that great manufacturing district."

"I am not a manufacturer nor a merchant. I am a mere dealer in money, and I only judge from the receipts and payments that come under my observation; those are certainly to a considerable extent, and give me some insight into the state of trade generally."

"Will you state to the committee, from the observations you have been enabled to make, what you consider to be the present condition of trade, as compared with former periods; whether you consider it at present in a sound or in an unhealthy state?"

"I never knew it at any former period in so sound and healthy a state as it is at present."

"Will you state to the committee what you consider as the evidence of that state?"

"There is an absence of speculation; there is a regular demand fully adequate to the supply; there is no accumulation of stocks on hand, and yet no forced means are resorted to for the purpose of disposing of those stocks; and I think that the bills of exchange in circulation are upon sound transactions of business, and of a more healthy character than I ever knew before."

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will be — let me ask why we are to wait a little longer for the return of prosperity. The mercantile interest has waited, year after year, in expectation that the House would adopt measures to remedy the distress which has diminished their wealth by two thirds." April, 1832. (*Parliamentary Mirror*, p. 1360.)

"Have you any reason to believe that there is any want of accommodation to be found by those parties who wish to engage in any trade, upon good security?"

"None whatever; money is so abundant, that the only difficulty is in finding employment for it. No man with a good security in his hand can be at a loss to get money now; in fact, we are glad to get applications for money upon any thing like a reasonable security."

"Do you consider that the applications that are made to you are generally based upon more sound transactions than formerly?"

"Yes; prices are moderate; but the risk is reduced to very little; profits are small, but risks are proportionably small; and I think trade is also in an unusually sound and healthy state."

And, after a great deal of intermediate evidence, instructive by the clear statement of interesting facts and opinions elicited from the witness, and amusing by the evident degree in which his answers disconcerted the theories of some of the questioners, the examination concludes with the following questions and answers: —

"Do you think the general capital of the country measured in money has increased since the war?"

"Yes."

"Do you think that the manufacturers and merchants of this country can now sell their goods for as much money as they could during the war?"

"I believe if they were weighed at this moment, that they are now richer than they were during the war."

"Do you think that it is owing to their increase in number, or that they are individually richer than they were during the war?"

"I am speaking of them collectively as the mass of trading interest of the country."

"Do you think that in the cotton trade the command of money possessed by the persons engaged in it is as great as it was ten years ago?"

"It is greater."

"You were asked whether, being a banker, you were as well able to judge of the condition of the manufacturers of Lancashire, as those manufacturers themselves: although a manufacturer is more conversant with the state of his own business, is not a banker more likely than any manufacturer to draw a just conclusion as to the general state of the commerce of the district with which he is connected?"

"The produce of the trade generally finds its way into the

hands of the bankers, and they have the means of judging of the state of trade in that way; all the means I have had from that way lead me to the conclusion that the trade of the country is in a sound and prosperous state."

"And your observation extends over the receipts and payments of a large number of manufacturers of different kinds?"

"It does."

"When you spoke of the increase of the capital of the country, you did not refer to the circulating medium only, but to all kinds of property, such as warehouses, buildings, merchandise, and all descriptions of property?"

"All descriptions of property put together."

Mr. James Cook, of the house of Trueman and Cook, whose transactions as brokers in the sale and purchase of colonial and other produce, for account of parties both in London and in the great provincial towns, are more extensive, I believe, than those of any other firm in the kingdom, gave in the course of his examination some very important details, illustrative of his statements of the great activity and general tendency to improvement of the various branches of trade and manufactures with which he was practically conversant.

Mr. Joshua Bates, of the house of Baring, Brothers, and Co., Mr. Larpent, Mr. Gabriel Shaw, Mr. Kirkman Finlay, besides numerous other witnesses, eminent in their respective lines of business, who were examined by that committee, concurred in bearing testimony, illustrated by striking facts, to the generally sound, healthy, active, and improving state of trade and manufactures in the spring of 1833.

Against this mass of evidence, proving irresistibly the very reverse of the case upon the hypothesis of which the committee had been appointed, the chief witnesses who gave evidence in support of the allegations of distress were persons in the iron and in the brass foundry trade, and in some particular branches of manufacture, and in the shipping trade. Of the iron trade we have had occasion to observe, that the depression was extreme at the

close of 1832, and it may readily be admitted that the interests engaged in that business must have been suffering from the fall of prices. But as the fall had been clearly the effect of a supply outrunning an increasing demand, the legitimate remedy had been applied of a reduction of the supply, and the prices were consequently advancing, and the distress disappearing in the spring of 1833. Of the few other witnesses in particular branches of manufacture, the evidence was chiefly of the inadequateness of the returns in their own business, but affording no presumption of means of observation of the general state of even their own peculiar branch of industry.

As to the shipowners, their evidence went to throw overboard the currency theory, referring the whole of their alleged depression to the reciprocity acts. But the further and continued extension of British shipping, proves incontestibly that the statements purporting to show that the business of shipowning had constantly since the war been carried on at a loss, must have been, as indeed there would be no difficulty of showing, were it not that it would lead beyond the limits of the present discussion, that they were and are, perfectly fallacious.

And while the trade and manufactures of the country were thus shown to have been in a sound and prosperous state, the condition of the working population was manifestly improved, compared with any former period, that of 1821 and 1822 perhaps excepted. It has already been seen, by the admission of the agricultural report of 1833, that the condition of the labourers in husbandry was better than in the period of high prices. And the evidence supplied both by the Report on Commerce and Manufactures, already quoted, and by the extensive information on the state of the manufacturing population, contained in the reports of the Factory Commissioners, prove beyond question

that, with the exception, important indeed and lamentable, of the hand-loom weavers, the working classes were generally employed at wages which had experienced little reduction, and in some instances none, from the period of comparative dearth, so that by the great fall of prices they were enabled to command a much larger proportion of food and other necessaries.

Among other proofs to the same effect, is the following statement, which was given in to the committee: —

"Particulars of Fine Cotton Spinners' Wages at different Periods, spinning No. 180. and No. 200. — (From the Wages-Book of Thomas Houldsworth, Manchester.)

Years.	Work turned off by one Spinner per Week.		Wages per Week.			Hours of Work per Week.	Prices from Greenwich Hospital Records.		Quantities which a Week's Net Earnings would purchase.	
	lbs.	Nos.	Gross.	Piecers.	Net.		Flour per Sack.	Flesh per lb.	lbs. of Flour.	lbs. of Flesh.
			s. d	s. d.	s. d.		s. d.	d. d.		
1804	12	180	60	27 6	32 6	74	83	6 to 7	117	62½
„	9	200	67 6	31	36 6	74	83	6 to 7	124	73
1814	18	180	72	27 6	44 6	74	70 6	8	175	67
„	13½	200	90	30	60	74	70 6	8	239	90
1833	22½	180	54 8	21	33 8	69	45	6	210	67
„	19	200	65 3	22 6	42 9	69	45	6	267	85

"The sack of flour is taken at 280 lbs.

"The above is an average of several men's work at different periods."

The reasons for dwelling on the evidence of a sound and healthful state of trade and manufactures, and upon the improved condition of the working classes at the commencement of 1833, are,

In the first place, to shew the distortion of view by which alone, under the influence of the currency doctrine, it was possible that the state of things, as it actually existed, could have been so perverted into the supposition of the very opposite of that state, as to have given rise to representations of the

prevalence of manufacturing and commercial distress; representations so eloquently urged as to have induced the Legislature to appoint a committee to inquire into the alleged distressed state of commerce and manufactures, and shipping. The result of the evidence brought before the committee was such, that if a report had been made, it must have been in the direct negative of the allegations to inquire into which the committee had been appointed. But the party in the committee adverse to such a conclusion, had influence enough to prevent the promulgation of it, and accordingly no report beyond that of conveying the evidence to the House was made.

The reason, in the next place, for dwelling on this evidence is, to direct attention to the similarity, in several points of view, of the state of trade and manufactures, at the close of 1832 and the commencement of 1833, with that which existed at the close of 1822 and the commencement of 1823. There was the same complaint of the great fall and low range of prices in 1822 and the early part of 1823. There had been the same effect of low prices in greatly extending the consumption, insomuch that the stocks of goods on hand were experiencing a progressive reduction. In the early part of 1833, there was, as there had been in the spring of 1823, a speculative advance in the prices of colonial produce, which advance not having been responded to by the state of markets abroad, was not maintained. That partial rise of prices had, in each case, the effect of restoring the balance of supply, and was followed by a further interval of low prices; the consequence of which was, that the consumption again was extended, so as to produce a still more marked reduction of stocks in the course of the two following years. It is not to be supposed that the process was strictly analogous at the two periods. All that is to be observed is, that

there was some resemblance of the general circumstances of manufactures and commerce, each of the great leading articles being of course more under the influence of its own peculiarities. It is only however as regards trade and manufactures, that the resemblance holds at all. In the prices of provisions the difference between the two periods is great and striking.

With the exception of the speculative rise of colonial produce in the spring and summer of 1833, there was no very marked feature of general excitement or depression, in the markets for goods, through the remainder of that and of the following year. The main feature of those years was, that while the prices of provisions were falling, in consequence of the abundance of the harvest outrunning the utmost increase, great as that was, of the consumption, such was the extension of the demand for the great staple articles of manufacture both for the home and foreign trade, that large beyond precedent as had been the importations of cotton, silk, flax, and wool, the stocks of these raw materials in the hands of the dealers and manufacturers, instead of accumulating, were undergoing a progressive reduction.

Among the greater number of the manufacturers, the orders on hand exceeded what could be executed within the time prescribed. New mills were in the course of being constructed, but could not come into operation fast enough to meet the great and increasing demand for wrought goods.

And while this great activity was observable in the manufacturing districts, there arose a very brisk demand for the products of the mines. The greatest advance of price was in the article of Lead. Copper and Tin likewise experienced a considerable improvement. But the advance in Iron was the most important, as embracing the largest amount of

capital, and giving next to coals the greatest employment to labour.

But although the prices of raw materials, including the metals, experienced more or less of improvement in that interval, there was no such excitement in the markets for goods as entailed any thing like an apparent wildness of speculation. The advance of prices was, in hardly any instance that can be pointed out, greater than was fully warranted, on fair mercantile grounds of reasoning, by the reduction of stock. Nor were goods to any extent held speculatively. The immense arrivals, for instance, of Cotton, were sold and delivered to the manufacturers as fast as they came to hand. Such likewise was the case with Silk, and most other of the raw materials.

This state of things led naturally to the inference that the causes of the extension of demand were in such progressively increasing operation, that the ordinary sources of production, at the existing cost, would be inadequate to keep up the required supply. The lamentations about over-production, which had prevailed in the epoch last under notice, had now been replaced by apprehensions of insufficient production. Accordingly there was a general feeling of confidence in an eventual higher range of prices than had recently prevailed; and engagements were entered into for extended importations, whether by orders for purchases abroad, or by advances on consignments. The arrangements with this view were in either case attended with the lodging of credits to an unusual amount. And not only were credits to an unusual amount granted to shippers hither, as well as to importers from hence, but they were also granted to several of the banking establishments abroad, in consideration of the commissions to be charged. The funds for those enlarged credits were in part sup-

plied by outward shipments, and the increased demand hence arising contributed to the activity which was observable in all the principal branches of manufacture. But of those increased exports, a large proportion appears to have been on credit given by the shippers from this country to the importers abroad, and to those chiefly in the United States of America.

The principal houses engaged in those enlarged operations were known to be possessed of great wealth, and were supposed to have resources for the utmost business that they could be induced to undertake. This persuasion, on the part of the public, combined with the great facilities of the money market, afforded the most unbounded *means*, while the prospect of the markets for goods held out every *inducement*, for granting credits to any extent that might be claimed by parties abroad, who were considered by the agents of the houses in question as in any way entitled to confidence. The ulterior results of the great enlargement of the credits granted from this country will be noticed when we come to the consideration of the state of things in the two following years, namely, 1836 and 1837, when those results were developed.

In the mean time, with the exception of the partial unsoundness (which was afterwards discovered) connected with the undue enlargement of credit in some particular branches, the trade of the country may be considered to have been in a healthy and progressively prosperous state down to the close of 1835.

At the same time, the manufacturing and mining interests were experiencing a degree and extent of prosperity perfectly unparalleled. In the cotton, and silk, and woollen manufactories, and in the iron and other founderies, while the prices of the raw materials were abundantly supplied at only

a moderate rise of prices, the demand for wrought goods was such, that instead of working speculatively, a large proportion of the manufacturers had orders on hand to the utmost extent of their existing powers of machinery to supply; and it was said that, in many instances, orders were declined, unless much more than the usual time were allowed for the execution of them.

The mining interests, which had been excessively depressed in the epoch last under notice, by a great reduction of the prices of the metals, in consequence of the supply outrunning an increasing demand, were, in the interval now under consideration, deriving the benefit of the opposite state. Those of the metals, which had before been most depressed, were now experiencing the most decided improvement, namely, lead and iron. Of the former, the supply had fallen off by the diminished produce from the Spanish mines, while the general demand for the article was increasing. There are no accurate statistical accounts of the production of iron, but, according to general statements, and the evidence before the committee on manufactures and commerce in 1833, there is reason to suppose that there had been a considerable number of furnaces put out of blast between 1828 and 1833*; and while the supply had thus been diminished, the consumption was increased, more especially by the extension of railway undertakings which were then in progress in America, as well as in this country. There was, in consequence, a steady demand, at gradually improving prices, coincidently with an increasing supply by the restoration of the furnaces that had been put out of blast, and by the erection of new ones, with the application of improved machinery. The increase of supply was,

* See evidence of Samuel Walker, Esq., page 574. of the *Report of the Committee on Manufactures, Commerce, and Shipping, in* 1833.

however, insufficient to meet the great increase of demand; and the price, which had improved very slowly till nearly the close of 1835, thenceforward, and for many months after, experienced a very considerable further advance.

The extraordinary activity which prevailed in the manufacturing and mining districts, was necessarily accompanied by a very extensive and general employment of the working population at full wages. At the same time, the extensive works upon the lines of the great railways which were in progress, served to employ considerable numbers of agricultural labourers, and the earnings, even in money, by the operative classes, were, in some instances, greater than in the periods of the highest prices of provisions. But, while the working classes were thus extensively employed at full wages, the prices of food and other necessaries had been progressively falling, and were, at the close of 1835, lower than they had been since the middle of last century. The increased means of expenditure, thus enjoyed by the bulk of the population, were shown in the progressive increase of the revenue.

All the indications here enumerated, of the extension of trade, and of the prosperous state of the manufacturing and mining interests, and of the general employment of the working population at full wages, were more signally displayed during the spring of 1836. But the reasons for stopping to consider the state of things at the close of 1835, are the following: —

1. Down to this time, the trade of the country, although in progress of considerable extension, exhibited no signs of undue excitement; and prices of commodities, although in many instances at advanced rates, were not in any striking instance under the influence of speculation. Nothing, therefore, thus far, could lead to the inference of

an undue enlargement of the circulation, as operating on the state of trade or of prices.

2. The extension of trade, the general but not speculative improvement of the prices of commodities, the undoubted and substantial prosperity of the manufacturing and mining interests, the general employment of the working classes at full wages, and the increase of the revenue, accompanied a great fall of the prices of provisions, but more especially of the price of wheat, which was lower at the close of 1835 than it had been in the last seventy years; thus furnishing a fresh and decisive negative of the often repeated, but perfectly unfounded assertion, put forth by parties interested in the corn monopoly, that high prices of agricultural produce tend to increased demand for other productions, and to extended employment and higher wages to the working population.

3. The increased consumption of food, resulting from the general employment of the working population at full wages, had no sensible influence in arresting the fall of the prices of corn, and much less any effect in raising them; which it ought to have done, according to the theory whereby the variations of the prices of corn are accounted for by the more or less employment, and consequent consumption, of the labouring classes.

Before proceeding to consider the state of prices, and the circumstances connected with them, as they occurred in the two next and the closing years of the series to which this historical sketch has been devoted, it may be requisite to observe, that in the interval from 1833 to the close of 1835, there was a considerable extension of the system of joint-stock banking. Some, too, of the most considerable of the railway undertakings had come into operation, and were exciting general attention, and some degree of speculation. The only instance, however, of violent excitement, in the three years

which have here passed under consideration, was in the foreign stock exchange, where, in the spring and summer of 1835, the market for Spanish bonds underwent extraordinary fluctuations, and caused ruinous losses to many individuals.

Section 3.— *Prices of Agricultural Produce in* 1836 *and* 1837.

The lowest point of depression of the markets for wheat throughout the country had occurred in the last week of December, 1835, and in the first week of January, 1836, when the average price was 36*s.* for the imperial quarter, equal to 34*s.* 11*d.* for the Winchester quarter; of barley, the average price for the imperial quarter was 27*s.* 10*d.*, and of oats, 18*s.* 8*d.** From this extreme depression there occurred soon afterwards a manifest improvement.

The wheat crop of 1835 was generally admitted to have been inferior in produce as well as in quality to the crops of the three preceding years. The extra consumption, from the application of wheat to malting and distilling, and to cattle-feeding and pig-feeding, was supposed to have materially reduced the large surplus from former years. It appeared moreover, by the concurrent testimony of nearly all the witnesses who were examined by the parliamentary committees on agriculture in 1836, that much less wheat had been sown in the autumn of 1835, than in the immediately preceding years. The greater part of the witnesses stated the short sowing to be to the extent of from one fifth to one fourth. It was likewise stated by the most extensive of the occupiers of land, and the most eminently practical, that the appearances of the growing

* The meat markets had been at their lowest at the close of 1834, when the quotations at Smithfield were 2*s.* 6*d.* to 3*s.* 6*d.* per stone for both beef and mutton.

crops were extremely unfavourable. Opinions to the same effect were prevalent in Mark Lane, and in the corn trade generally. And it was clear from the falling off of supplies, compared with the former season, that the farmers generally participated in these opinions.

Under the influence of such opinions, whether well or ill-founded, promulgated by such authorities, a rise of prices was inevitable, and they advanced accordingly, with the aid of dry and very severely cold weather in the progress of the spring, to an average of 50*s*. 4*d*. for the imperial quarter of wheat, in May, and to 51*s*. 1*d*. in the first week of June. But seasonable rains came on in the early part of June, and the weather from that time till the harvest was favourable to the growing crops; and, as the harvest approached, it became manifest that they had not sustained any essential injury. The markets therefore declined; and as the harvest-time in the home counties was favourable, so that the wheats were mostly secured by the third week in August, in fair condition, and reported favourably of as to yield, prices gave way, and ranged at about 47*s*. to 48*s*. for some weeks. But the further fall, which seemed otherwise inevitable, was arrested by the very unfavourable accounts of the weather, and of the state of the crops, in the northern division of the island.

The weather, which had been rather unsettled through July, in this part of the country, had been very wet and cold in the north of England and in Scotland; and the first three weeks of August, which in the southern counties had been almost uninterruptedly dry, though cold, had, in the northern counties, been attended with heavy rains. These continued to prevail there, with a very ungenial temperature, and occasionally a change to snow, till the close of the year. The crops, which were all exposed to that inclement weather, were remarkably backward; some never ripened at all, and none, or next to

none, were secured in such a state as to be fit for early use, independently of reported deficiency of quantity. The consequence was, a great demand for shipments from London, and from the eastern counties, to Yorkshire and Scotland. And this demand coming upon a diminished surplus from former years, while the new crop was not generally fit for immediate use, even in the most favoured districts, at the same time that the produce, although considered to be an average quantity per acre, was supposed to be deficient from a diminished number of acres under cultivation for wheat, had the effect of rallying and raising the markets, insomuch that, in the course of the autumn, the average price of wheat reached 61*s.* 9*d.*; and as the accounts from the United States of America represented the corn crops there as having failed to such an extent that large supplies would be required from Europe, a considerable demand for bonded wheat arose upon the double ground of shipments to America, and of the prospect of a low duty in this country before the ensuing harvest. This demand for corn from Europe to America, and the consequent rise of the price for what was in bond in this country, was among the minor considerations which contributed to the advance of the price of free wheat, because it narrowed the prospective supply in the event which was then thought probable of the ports becoming open at a low duty.

The rise of the corn markets to the height which they reached in November and December, 1836, being an advance of no less than 70 per cent. upon the prices in December, 1835, is the more remarkable, inasmuch as it occurred coincidently with a state of commercial discredit *, and of great

* The Agricultural and Commercial Bank in Ireland stopped payment in November, 1836; and the difficulties of the Northern and Central Bank in Manchester were at the same time becoming a matter of notoriety.

pressure on the money market. The rise too, occurring as it did so soon after harvest, and before any pressure from actual scarcity could be felt, exhibits in this, as in other instances, the predominant force of opinion over any immediate influence of the circulation. It may, indeed, be said, that such was the force of opinion in favour of a rise in December, 1836, that if the spirit of speculation had not been repressed by the very contracted state of the circulation, prices might, and would probably, have experienced a further advance of from 10*s*. to 12*s*. the quarter. This, from the disposition which then prevailed to think well of the grounds for a considerable rise, is not at all improbable. Supposing then the state of the money market to have been as favourable as it was adverse to speculation, and that prices had in consequence risen to that extent, a quantity of foreign wheat and flour, not much short of a million of quarters, would have been let in for home consumption. And as the stock of our own growth proved to be beyond expectation, and fully equal to the consumption till after the following harvest, the addition to that stock would have operated in a considerable depression of markets, and instead of a decline of from 5*s*. to 6*s*. the quarter, which occurred before the harvest of 1837, the fall would most likely have been 15*s*. or 16*s*. the quarter. The inference therefore is, that, if it had not been for the pressure on the money market at the close of 1836, the prices of corn would have been in 1837 lower than they have proved to be.

The autumn of 1836 was in all parts of Great Britain and in Ireland very wet, so that, independently of injury to the outstanding crops, all farming operations, with a view to the following season, were very much delayed, and in many instances imperfectly performed. In the northern districts, much land, it was said, that had been intended for

winter wheat, was of necessity left over for spring sowing. The winter of 1836-7 began with the appearance of considerable rigour. On the last days of October there occurred a fall of snow, which was remarkably heavy for the season, attended with rather a sharp frost; and the latter part of December, 1836, was rendered memorable by a fall of snow exceeding in its effects, in obstructing the communication by the roads with the metropolis, any thing that had been known for many years before. More snow fell on those two occasions, in the early part of the winter of 1836-7, than had fallen collectively in the four preceding winters. A frost of some severity, which had accompanied the fall of snow at the close of December, 1836, broke up in the first week of January, 1837; after which, the winter, although cold and raw, and unhealthy (for it was then that a very extensive influenza prevailed), was not marked by any severity of frost, or any further fall of snow of any consequence. The spring was ungenial, and the crops were so very backward, that it was generally supposed that the harvest would be later by three or four weeks than that of the preceding year, which had not been particularly early.

The corn markets, which after the close of 1836, when the yield of the crops was found to be larger than had been supposed, had given way, in the winter, and in the early part of the spring of 1837, to 53*s*., experienced a rally as the spring advanced; and in the first fortnight of June the average price of wheat rose to 56*s*. 5*d*.* The comparatively high range and rising tendency of the corn markets in

* The weekly Gazette averages were,

		s.	*d*.
May	19.	53	4
—	26.	54	4
June	2.	56	2
—	9.	56	4
—	16.	56	5

the early part of June, 1837, is the more to be remarked, because *it was coincident with the greatest pressure on the money market, and the most critical period of commercial discredit, of the whole interval from the close of* 1835 *to that of* 1837. But after the first fortnight of June the weather became highly propitious to the progress of vegetation, and so continued till the harvest, which proved to be much forwarder than had been anticipated, the reaping of wheat having become general throughout the southern and midland counties in the second week of August. The weather, during the progress of the harvest, was unsettled; and in the latter part of August, and the first few days of September, there were heavy rains, which gave rise to some apprehension for the fate of the outstanding crops, of which there was a considerable proportion in Essex, and others of the great corn-growing counties. The weekly average price of wheat rose in consequence, *notwithstanding the contraction of the circulation, to* 60*s.* 1*d.* But the weather thenceforth improved, and became generally fine, so as to admit of securing the latter part of the harvest, even in the northern counties, in tolerable order.

This favourable change had the usual influence on the markets, which thenceforward gave way; and, as it became certain that the duty on the admission of foreign wheat was about to rise from the rate to which it had previously fallen, namely, 28*s.* 8*d.*, a good deal of what was in bond, or had recently arrived, was entered for home consumption. The whole quantity so entered was about 150,000 quarters. This entry of foreign wheat, at so high a duty, was not because the importation could afford that duty, but because the holders, having been disappointed in their speculation on a much lower duty, were content to submit to a heavy loss, in the alternative of having the wheat

wholly shut out from a market, for an indefinite length of time. It is to be observed that this admission of foreign wheat did not occur till a great part of the harvest had been secured; it was not therefore wanted, unless in as far as the yield of the last crop may be found to be insufficient to meet the demands upon it till next harvest. The reason for particular notice of this circumstance is, that this, with a trifling exception, is the only entry of foreign wheat since 1831*, and that this extraneous supply was not required to make up for any deficiency of stocks of our own growth till the harvest of 1837 had become available.

The fact, therefore, is in full evidence, that during six successive years the produce of the United Kingdom has sufficed for the consumption, greatly increased as that has been; whereas in the four immediately preceding years a quantity little short of six millions of quarters had been required to make up for the deficiency of our own produce, to meet a consumption necessarily somewhat reduced by the high price, as it has since been increased by the low price; thus proving incontestably the large scale of difference of productiveness, in different series of years, and the insignificance compared with it of any possible difference in the consumption in the equal series.†

* The only exception being that of a small quantity, viz. 165,872 quarters, entered after the harvest of 1832, under circumstances similar to those here noticed.

† It may here be remarked, with reference to the influence of the seasons on the productiveness of the crops of corn, that the experience of the results of the harvests from 1832 to 1837, both inclusive, falsifies the very commonly prevailing notion of the peculiarly fertilising effects of snow, inasmuch as the five winters preceding that of 1836–7 were distinguished by an extraordinary absence of snow, and yet they were followed by five very abundant wheat crops. And if the spring crops were not in some of those years equally abundant, it was not for want of snow during the previous winter, but for want of rain in the summer.

SECTION 4. — *State of Markets for Produce other than those of Agricultural Produce, in the Years* 1836 *and* 1837.

We have had occasion to remark that, till nearly the close of 1835, there was rather a slow and steady improvement of markets, and of trade generally, than any extraordinary activity or much of the spirit of speculation in goods.

In the early part of 1836, it having appeared, by the usual returns at the close of the year, that the stocks of some articles had been reduced below the ordinary rate of consumption, a tendency to a speculative demand for them became perceptible, but not in any very marked degree. The articles that came more immediately under this description were cotton, indigo, sugars, and silks; and an advance, greater or less, took place in each of these at different times till the summer of 1836. But, although in each of these articles there was a brisk demand, and consequent rise of markets, it was remarked at the time, that as the demand was chiefly by the trade, and for immediate manufacture or export, and that as the advance did not appear to be greater than according to fair reasoning on mercantile grounds was perfectly legitimate, it could not with propriety be characterised as speculation or overtrading. And it must be admitted, that there was nothing of the extravagance of purchases, by persons out of the trade, which had marked some former memorable periods of speculations in goods. *

* The following are notices in some of the printed circulars of the state of markets in the early part of 1836.

"Cotton. The stocks in the ports at the close of 1835 being barely equal to three months' consumption, and prices moderate, the markets opened at the commencement of the year with a good demand, and a great deal of fluctuation was experienced, which continued until April, when prices attained their highest, at which period, bowed Georgia had advanced 1½*d.* to

So low were the stocks of these articles, and so confident the persuasion that they were not more

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2*d.* per lb.; Surat and other East India sorts, ½*d.* to 1*d.* per lb.; and Brazil and Egyptian in a still greater proportion."

"Indigo. The very reduced stock at the end of 1835, the comparatively low price of the article, the large deliveries, and the shortness of the crop in India, attracted, early in the year, the attention of the trade. Prices advanced in the January sale, and kept progressively rising in the two following sales, especially in July, when considerable purchases were made on speculation for foreign account: the advance was then 1*s.* 6*d.* to 1*s.* 9*d.* on the prices at the end of 1835."

"Sugar, in the opening of the year, continued to maintain the favourable opinion it had acquired in 1835, and several circumstances combined to produce further improvement in its value. The stocks, both here and on the Continent, were very much reduced, and an idea still prevailed that the production of our West India colonies would go on decreasing under the new system of working. There had likewise been a positive failure of the crop in Louisiana, which caused the Americans to speculate at home, as also to be large purchasers at the place of growth; even from Europe shipments were made to the United States for their account. These operations, and a good demand for consumption on the Continent, caused much activity at advancing prices up to June, 1836."

Silks were among the articles of which the consumption, down to the close of 1835, had in the greatest degree outrun the supplies; and of some descriptions there was an almost total exhaustion of stock. The markets, therefore, in the early part of 1836, were in a very animated state, and prices appear to have reached their greatest elevation at the close of March of that year. As the prices then attained were scarcity prices, it was natural that the approach of fresh arrivals should occasion a decline of prices; but, with intervals of slight depression, the markets continued for some time to be very buoyant, notwithstanding an increasing pressure for money, and a rising rate of discount. The following are extracts from an eminent broker's circulars respecting this article:—

"23d June, 1836. The East India Company's sale is just concluded. Bengal silk, both there and at the public sales before the Company's, sold steadily at an advance of 5 to 7½ per cent. upon the sales of February, which is equal to the highest prices that were obtained during the excitement in March." "30th July, 1836. Our letter of 23d inst. reported the result of the East India Company's and public sales. The market for China silk, relieved by the large quantity taken off by speculators and consumers, soon began to rally, and an advance of from 7½ to

than sufficient to meet the consumption at advanced prices, before the arrival of fresh supplies, that, although public attention had been roused early in the spring, to what appeared to be an undue elevation, and consequently precarious state of markets, there seemed to be no corresponding distrust among the parties immediately interested. And it was not till the arrival, or the certain approach, of fresh

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to 10 per cent. was the result, considerable parcels being sold as the prices were improving." "31st August, 1836. Our market continued during the early part of the month in an inactive state with prices firm: the consumption was, however, proceeding to a considerable extent, although the trade were not disposed to purchase in anticipation. For the last fortnight business has been more current. In Bengal silks, nearly the whole of the arrivals have found buyers, with several parcels of Company's silks of former sales that were held by speculators. In Turkey silk comparatively little has been done. Prices remain about the same. The importations of Italian silk are limited, and the prices high; but the stock was so completely exhausted that the arrivals have been taken off at about 5 per cent. above previous rates."

It was not till the 30th September, 1836, that the writers of the circulars respecting this article discovered that a depression of the prices, which however to this time had been only such as might fairly be attributed to the growing increase of supplies, was to be ascribed to the pressure on the money markets. And it was not till nearly the close of 1836, when the failure of a firm that were considerable holders of silk, and the growing embarrassments of a house which had operated largely in the article, and which stopped payment in January, 1837, that the article underwent such a serious decline as could fairly be considered to have been caused by the state of discredit, or by pressure on the money market.

It has been requisite to give these details, in order to show that there had existed fair mercantile grounds for the rise in the markets, and the comparatively high range of prices of the above-mentioned articles, till an advanced period of 1836. And in the case of each of those articles it admits of being shown that in and after the summer of that year there was such an increase of the supplies as must necessarily have reduced prices, even if no particular pressure had existed in the money market, although of course that pressure aggravated the effects of the increased supplies, more especially in as far as they were imported or held upon credit.

supplies, either larger than had been estimated, or in a greater proportion than the consumption or export was found to take off, that the markets gave way. Even when the fresh arrivals were taking place, the decline was not rapid; nor in any instance, till nearly the close of 1836, does the fall of prices appear to have been under the influence of any particular pressure beyond that which the mere difference of supply would warrant. But whenever a fall of prices since 1819 has taken place, if there happens to have been coincidently any actual or supposed reduction of the amount of the circulation, such is the prevalence of the currency theory, that the proceedings of the Bank are usually referred to as the moving cause of the alteration of prices. Thus, the money crisis, as it is called, of the latter part of 1836 is, in most of the circulars of that period, assumed to have been the cause of the fall of prices in those instances in which a fall did occur, while in the instances of the large classes of articles which experienced either no fall, or none worth mentioning, and some indeed of the most important of which had coincidently risen in price, the more peculiar circumstances affecting them are held to be sufficient to account for their not coming under the influence of the currency.

There was, in fact, nothing like an extreme or general depression of prices during the severest pressure of the money market, before the end of November, 1836. The greatest fall that occurred in that year was in the article of tea. But it is well known that the importation was on a scale of unprecedented magnitude, and that the forcing off of the East India Company's remaining stock, in competition with individual importations, combined with the operation of the duty, must have led inevitably to a great depression under any circumstances of the money market. Thus, in one of the very circulars in which the sudden

contraction of the Bank of England issues, in the summer of 1836, is assumed to have been the principal, if not the sole cause of the fall of prices, is the following account of the state of the tea trade in 1836 : —

" In the early part of the year the public sales went off with some animation, and prices were well sustained. About May extensive arrivals took place, which were immediately brought on the market to an extent beyond the wants of the trade : the East India Company continued also to force off their remaining stock. Prices have in consequence been further depressed. The payment of so large a sum as about 1,250,000*l.* duty on Bohea, at 1*s.* 6*d.* per lb., anticipating nearly two years' consumption, has also tended to weaken the means of supporting the market."

Here surely is reason enough for the depression, without calling in the aid of the money market, although of course an increased rate of interest, and a difficulty of discounting, might serve as an aggravating cause. With respect to sugars, cotton and silk, and in a smaller degree flax, the prices, having been raised by temporary scarcity, with perhaps some exaggeration of demand, naturally fell in consequence of the cessation of the scarcity, and the fall would of course be aggravated by the state of the money market ; but the difficulty of allowing much influence to this cause is, that in the articles of cotton and silk, more especially the former, being particularly connected with the incipient state of discredit, the fall of prices, until late in the autumn of 1836, was inconsiderable, compared with the previous rise.

The following articles, embracing the largest amount of value, experienced no fall, and the greater proportion actually rose in price coincidently with the pressure on the money market till the close of 1836.

Corn, meat, butter, Irish provisions and bacon, oil, tallow, hemp, iron, copper, dye-woods, rum, besides many minor articles, were as high in No-

vember, 1836, as in the spring of that year, and the greater part of them higher. And, inasmuch as those that had fallen were in no degree more depressed than the difference of actual or approaching fresh supplies warranted, the inference that such fall was directly caused by the state of the money market in the summer and autumn of 1836 is not legitimately drawn.

So prevalent is the theory of the paramount influence of the currency, that most of the writers of commercial price-currents and circulars are infected by it. The following concluding observations in a price-current, published at the close of 1836, exhibits a specimen of the sort of reasoning alluded to; and the whimsical part is, that in giving a succinct account of the variations of each of the articles, the decline of those which fell in price after the spring and summer of 1836 is rationally explained by circumstances quite independent of the state of the money market.

"The commercial transactions of the past year require very little comment, the events being so fully developed as they occurred. The beginning of 1836 was, without exception, one uninterrupted season of prosperity: commerce, manufactures, and agriculture were extended; railroads, mines, and shares of every kind were purchased with avidity; and money was so abundant that bankers and capitalists were offering to discount bills at 2 and 3 per cent. per annum. Notwithstanding the great temptation held out to our merchants, traders, and manufacturers, there was only a partial speculation; sugar and silk were acted on to some extent, and iron and other metals to carry out the various contemplated railroads.

"Suddenly, however, the Bank of England drew in their issues, in consequence of the run upon them for gold for America, and the joint-stock and other banks were brought into collision by these means. The consequence of the scarcity of money, and the difficulty of obtaining discounts on mercantile bills at from 5 to 7 per cent., was speedily felt in the commercial world, and coffee, sugar, cotton, silk, metals, rum, timber, and other articles became exceedingly dull of sale, and prices rapidly declined. Other articles, equally important, have maintained the advance, and in some cases are higher at the present moment than before the restriction on money matters took place. The

articles we allude to are, corn, hemp, tallow, oil, ashes, dye-woods, indigo, and rum. On a close attention to the causes that produced the rise in prices in the latter articles, it will be found that certain local and collateral circumstances were the real cause of the enhancement (such as the partial failure of crop, and shortness of stocks), which the state of the money market could not prevent, though it would be difficult to surmise the extent to which prices might have been driven up, had not the difficulties of money affairs been thrown in the way. On the whole, however, it would appear that the conduct of the Bank of England, whilst it might be judicious as regards that monopoly, has been attended with circumstances of great danger to the commerce of this country; for the suddenness of the measures adopted by the Bank, and the immense influence it possesses, are sufficient to swamp any commercial and manufacturing community, however careful and judicious such community may have acted."

The reasoning here is exactly that of the currency doctrine; the articles that fell in price are supposed to have been exclusively under the influence of the contraction of the Bank issues, which, by the way, had not then been contracted in any degree worth mentioning; while those articles that had not fallen, or were rising, are stated to have been under the influence of local or peculiar circumstances.

It was not till nearly the close of 1836 that there was any serious fall in the prices of those articles which had experienced the greatest advance in the early part of the year; and, although there were sufficient causes in the state of supply relatively to the consumption for the tendency to dulness and decline in the case of most of the articles, there cannot be a doubt but that the notoriety of the growing difficulties of the American houses, combined with some recent failures in the silk trade, and in the East India trade, and the increasing pressure on the money market, operated greatly in adding to the depression which might otherwise have prevailed. The greatest degree of depression occurred in the interval between December, 1836, and the commencement of June,

1837, when three of the principal houses in the American trade suspended their payments, besides three or four other firms of less note, but of great respectability. The state of markets, at that precise period, for those articles which were more or less connected with the branches of trade in which those houses were engaged, would naturally be most affected. In the instance of cotton more especially, there was an unusually large importation at hand, under circumstances which rendered it certain that a considerable proportion of it must be immediately forced upon the market.

In the silk trade some forced sales were made, in consequence of the failure, a few weeks before, of a house which had been mainly instrumental in raising the price beyond the degree which the shortness of supply had warranted; and this circumstance would naturally, when combined with the state of the money market, entail an extreme degree of depression. In the two important articles, accordingly, of cotton and silk, there was, at different times, in the spring and summer of 1837, and for particular descriptions, a fall of no less than 50 per cent.

The other articles that experienced a marked decline, during the period which has been characterised as one of panic, were sugars, indigo, and iron. But these had previously been raised by an exaggerated demand, and the fall of price was not to so low a level as that from which they had risen.

With these exceptions, there was nothing like an extraordinary fall of prices that can in any way be traced to the difficulties of the money market, or to the discredit which prevailed in the trade with America, and partially in the East India trade; and the markets for agricultural produce were so far from being depressed by the state of

discredit prevailing at that time in the branches of trade alluded to, that prices in Mark Lane were actually rising, as we have seen, in the early part of June, and reached an average of 60*s.* per quarter for wheat.

In some instances, on former occasions of extensive overtrading, the manufacturers had participated in the speculation, so far as to overstock themselves with the raw material at high prices, and to be liable to severe loss upon the subsequent fall. Accordingly, in several memorable instances recorded of commercial revulsion, the manufacturers figured largely among the failures of those times. But in the recent instance the manufacturers of cotton and silk seem to have been particularly on their guard, and so distrustful of the high prices that they bought only what was strictly necessary to keep their mills from an absolute stand. Indeed, the same may be said of the manufacturers generally, the only exception that I am aware of, on an extensive scale, being those of Dundee, among whom there were very numerous failures in the course of the past year.

After the clearance which was effected of the excessive and unsound part of the circulation by the consequences of the great failures, chiefly in the American trade, which occurred in the first week of June, 1837, and when the prices of those articles which had been raised by an exaggerated demand had fallen as much below their due level as they had before been raised above it, the confidence of buyers was restored: there was consequently a considerable revival of demand in the latter part of 1837, and the trade and manufactures of the country, reduced, as they necessarily have been, from the swollen dimensions which they had attained by exaggerated anticipations and an undue extension of credit, appear to

be in a sound, although necessarily (as following a period of overtrading) in a comparatively stagnant and dull state.

The revenue has experienced a falling off in the past year (1837), as compared with the preceding. But, independently of the operation of the tea duties, there is reason to believe that the revenue of the preceding year was an *inflated* one. It is quite clear that a period of speculation must be attended with an increase of revenue; for, not to mention the operation of overtrading, in increased imports and exports in 1835 and 1836, on some branches of the revenue, it may be observed that, when prices have been rising for some time, the tendency to anticipation of a further advance, in other words to speculation, extends itself to retail dealers, who, under such circumstances, are induced to enlarge their stock. This causes entries for consumption, and consequent payment of duties, in the expectation of a continuance of the *increasing ratio* of demand. Such was probably the case in 1835 and 1836. When, however, the event proves that the demand for actual consumption does not equal the exaggerated expectation, the dealers are disposed to run off their old stock before they make fresh purchases; and the difference between a disposition and an indisposition on the part of dealers, as well retail as wholesale, and of manufacturers, to get into stock, —or, in other words, the difference between an anticipation and a postponement of demand is very great, not only upon prices, but also upon the revenue.

SECTION 5. — *Joint-stock Banks, and other Joint-stock Companies, and the Speculations in the Shares of these from* 1833 *to* 1837.

The effects of the joint-stock banks upon the amount and value of the currency will be matter of distinct consideration when we come to examine the state of the circulation at the close of the present chapter. They are here only noticed as among the modes of adventurous investment of capital in which the spirit of speculation displayed itself in a very considerable degree towards the latter part of the period now under examination.

The formation of joint-stock banks, consequent upon the removal of some of the exclusive privileges of the Bank of England, had proceeded to some extent before the close of 1835; but it was not till towards the close of that year, and in the spring of 1836, that the progress of the system, not only by the number of new establishments, but by the multiplication of branches, and by the extent of their operations in the way of re-discount through the money dealers in London, attracted public attention. They had by that time also become the occasion of the display of a spirit of speculation strongly directed to that mode of investment. The premiums to which all, or nearly all, the banks formed or projected up to that time had attained, while by the sales of reserved shares they extended the capital, and credit, and connections of the existing establishments, contributed powerfully to stimulate the formation and projection of new ones. And so strong was the spirit of enterprise directed to this mode of adventure, that, notwithstanding the alarm which had been sounded by the notice drawn to it in the House of Commons, on occasion of Mr. Clay's motion for a committee to inquire into the system, the form-

ation and projection of new banks proceeded for some time after, not only with unabated but with increased activity.

The objects of speculative investment which, at that time, next to joint-stock banks, occupied the largest portion of public attention, were the numerous undertakings for railway communication.

When the great lines from London to Birmingham*, and from Birmingham to Liverpool, were first projected, and for some time after, while the bills for the formation of the companies were still pending before parliament, public opinion had not been decided in their favour, and the shares did not command a premium; indeed, the shares in the former were, in some instances, sold at a discount

* The date of the earliest meeting in London, with a view to the formation of the London and Birmingham railway, was in the autumn of 1830; but the Act of Parliament for incorporating the company was not passed till May, 1833.

In the gigantic undertaking of the great line of Railway from London to Birmingham, and from Birmingham to Liverpool, by far the larger part of the subscriptions, and eventually of the capital embarked, has been supplied from Lancashire. It has been computed that the Lancashire proprietors form seven eighths of the whole in amount. This circumstance may be accounted for on two grounds. The one is, the greater knowledge possessed by persons resident in that neighbourhood of the nature of such undertakings, from their having been concerned in, or witnesses of, the progress and successful completion and results of the Liverpool and Manchester line. The other is, that, in consequence of the great and long-continued prosperity of the cotton trade, and the cotton manufactures, there has been an extraordinary accumulation of capital in that district, greatly exceeding the amount that could be profitably re-invested in the same business, great and increasing as that business has been and is. The schemes for railways, therefore, coming within the neighbourhood, and within the sphere of the peculiar knowledge of the persons possessed of such overflowing capitals, presented a most inviting mode of investment, which was eagerly adopted. And the success attending that mode of investment in the principal lines was calculated to excite and extend the inclination for such projects. Liverpool and Manchester therefore have naturally exhibited more of a spirit of speculation in the railway share markets than has prevailed in London.

equal to the expenses supposed to be incurred. But when the successful results of the Liverpool and Manchester line were fully ascertained, and when, with the data supplied by the experience of that line, revised estimates were formed of the probable income, compared with the expenditure, a confident opinion arose among the best-informed persons of great eventual success of the undertaking: the shares, accordingly, in those great companies advanced to a considerable premium.

The profits thus derived and realised, or admitting of being realised, by the subscribers to those undertakings, operated as an extraordinary excitement to this description of adventure. New lines were proposed to intersect almost every part of the kingdom, and there was actually a swarm of railway projects starting up in every direction. The rage for undertakings of this kind was at its height in the spring of 1836, and numerous other projects for public companies were at the same time brought into notice. The most considerable of these were for mining purposes. And several of the projects proceeded on substantial grounds with fair prospects of success, along with many others that were absolutely worthless, and served only for the individual benefit of the projectors. But the good, bad, and indifferent contributed to a general activity in the share markets.*

* Of the extent and extravagance of the spirit of speculation which was displayed in the formation and projection of joint-stock companies, the following description was given by the President of the Board of Trade, Mr. Poulett Thomson, in the House of Commons, in the debate on the budget, 6th May, 1836: —

"It is impossible not to be struck with the spirit of speculation which now exists in the country; but, I believe, that there is a great difference in the state of things and what took place in 1825. The spirit of speculation was then turned to foreign adventure of the most extraordinary description; but, now, speculation is directed to home objects, which, if pushed too far, may be very mischievous; though the consequences may

We have already seen that there existed, coincidently with this excited state of the share markets,

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not be quite so mischievous as in 1825. But really, on turning to any newspaper, or any price-current, and observing the advertisements of joint-stock companies upon every possible subject, however unfit to be carried on in the present state of society, every man must be struck with astonishment at the fever which rages at this moment for those speculations. I felt it my duty, some time ago, to direct a register to be kept, taking the names merely from the London and a few country newspapers, of the different joint-stock companies, and of the nominal amount of capital proposed to be embarked in them. The nominal capital to be raised by subscriptions amounts to nearly 200,000,000*l.*, and the number of companies is between 300 400. I am just now reminded of the speculation for making beet-root sugar, but that is a sound speculation compared with some in my list. The first is the British Agricultural Loan Company, with a capital of 2,000,000*l.* I have been furnished with a blank corn note published by this company. Another company is proposed for supplying pure spring water, capital 300,000*l.* Then there are the Patent Steam-paddle Company, with a capital of 30,000*l.*; the Safety Cabriolet Company, capital 100,000*l.*; the British and American Intercourse Company, capital 2,000,000*l.*; the London Whale Fishery Company, capital 600,000*l.*; and, again, to show the way in which these companies are starting up, for objects either of the most absurd kind, or for objects such as private individuals are perfectly able to accomplish, I find the Liverpool British and Foreign Trading Company, capital 250,000*l.* Now, it is perfectly well known, that it is not at all an unusual thing for an individual in Liverpool to embark 250,000*l.* in foreign trade; and there are many who have a great deal more engaged in that business. I know that these companies have not their origin only in London. In 1825, London was the great centre of speculation; but I am afraid that these companies have now their origin in other parts of the country. Reference has been made to a Liverpool paper. I fear that the place I represent (Manchester) can likewise furnish instances of schemes for objects which can never be beneficial to any one, and on which the parties will be only throwing away their money. The fact is, that the greater part of these companies are got up by speculators for the purpose of selling their shares. They bring up their shares to a premium, and then sell them, leaving the unfortunate purchasers, who are foolish enough to vest their money in them, to shift for themselves.

"I have seen, also, with great regret, the extent to which joint-stock banks have sprung up in different parts of the coun-

a very animated state of the markets for some important descriptions of foreign produce, as also for iron and other of the metals, and that the corn markets had experienced a great rise, the price of wheat having advanced nearly 50 per cent. within a few weeks after the close of 1835.

From the concurrence of these causes, the spring of 1836 was attended with the display of a spirit of speculation, and of general excitement, which presented some resemblance to the spring of 1825, although far short of that period in extravagance, and attended with the important difference that, whereas in 1824–5 a considerable part of the speculations ran on investment in foreign loans and foreign mines, those of 1836 were chiefly, if not exclusively, directed to undertakings within the United Kingdom.

But it was quite clear in the spring of 1836, as it had been in 1825, that a considerable part of the speculations in shares could only have admitted of proceeding to the length that they had done by an undue extension of credit, which allowed full scope to the delusive prospects then held out.

Accordingly, those joint-stock companies only which had been established on a solid foundation stood their ground through the difficulties which prevailed in the money market at the close of 1836,

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try. I believe, indeed, that great good has arisen from joint-stock banks; but the observations I have made with regard to other companies are equally applicable to many of the joint-stock banks that are springing up in different parts of the country, and the existence of which can only be attended with mischief. I have a prospectus of what is called the English, Irish, and Scotch Joint-stock Bank, with a proposed capital of 3,000,000*l.* in England, 2,000,000*l.* in Ireland, and 2,000,000*l.* in Scotland; and which holds out the greatest possible advantages to the persons engaged in it. The shares, too, are of very small amount. I may mention, on this point, that I have seen some companies with shares as low as 10*l.* The great danger of evil arising from speculations of this kind is obvious."

and in the first six months of 1837, while the greater part fell to a discount, and no small number were finally abandoned.

The markets for goods also, *but for those descriptions only which had risen in consequence of scarcity*, and of the exaggeration of demand usual on such occasions, experienced, as we have seen, between the close of 1836 and the summer of 1837, as the effect of large supplies and of a state of discredit, a considerable fall.

And we have now to see to what extent the state of the circulation could be considered as in the relation of cause and effect, with the fluctuations which have been described in general terms as having occurred in the markets for goods, and for shares, in the period from 1833 to the close of 1837.

Section 6. — *State of the Circulation from the Commencement of* 1833 *to the Close of* 1837.

The statement, to which in the course of this work there has been frequent occasion to refer, of the actual position of the Bank, as to its assets and liabilities, on the last day of February and the last day of August in each year, reached only to August 1832, being the period when the committee on the Bank charter, to whose Report that statement was appended, closed their labours.

The statements which have since been published once a month, according to the condition prescribed on the renewal of the charter, do not give the actual position of the Bank with reference to its liabilities, its securities, and its bullion, at any one time, but only the average of each of these elements, without distinguishing the securities into public and private, for the three months preceding the date of the monthly publication.

These materials, although leaving much to be desired, with a view to forming a judgment of the manner in which the regulation of the issues has been conducted at particular times, and of some of the consequences which directly affect the situation of the Bank, afford at the same time fair grounds for judging of the general management, whether as regards its consistency with the system professed by the directors, or its influence on the money market and on prices.

With such light then as is afforded by these materials, and with such further light as has been thrown upon the subject, by the explanations to which the recent controversy respecting the causes of the late pressure on the money market has given rise, I shall proceed to examine the state of the circulation, with the causes of its variations, and the nature and degree of its influence on the great fluctuations which have been observable in the money market, and in the markets for goods and for shares, in the interval between 1833 and the close of 1837.

After the very considerable reduction which the treasure of the Bank had undergone in the early part of 1832, when, namely, in February, the amount was only 5,293,150*l.* against liabilities amounting to 26,988,880*l.*, while the securities amounted to 24,333,490*l.*, there was a large reflux of the metals for some months following.

By the Gazette return in October, 1833, the average amount of assets and liabilities in the three months preceding had been,

Circulation -	£19,800,000	Securities -	£24,200,000
Deposits -	13,000,000	Bullion -	10,900,000

the bullion being thus, as nearly as might be, in proportion to one third of the liabilities.

According to the return in January following, there had been in the interval a loss of bullion, on the average of the three months preceding, to the extent of about one million, accompanied by a re-

duction of the circulation by about 1,200,000*l.*, and of the securities by between 600,000*l.* and 700,000*l.*, while the deposits were unvaried. And so far the management leaves nothing to remark upon. But thenceforth a considerable degree of irregularity is observable; a progressive diminution of bullion was going forward, and, coincidently with that drain of the Bank coffers, a progressive augmentation of its securities had been taking place, insomuch that, whereas by the return at the end of September, 1834, the bullion had been reduced by upwards of three millions, as compared with October, 1833, and by upwards of two millions, as compared with January, 1834, the securities had been increased by five millions*, and the circulation by about a million, compared with the latter date. The comparison of the three periods stands thus: —

1833, October.	Circul.	£19,800,000	Secur.	£24,200,000
	Deposits	13,000,000	Bullion	10,900,000
1834, Jan. 7.	Circul.	18,216,000	Secur.	23,576,000
	Deposits	13,100,000	Bullion	9,948,000
Sept. 23.	Circul.	19,126,000	Secur.	28,691,000
	Deposits	14,754,000	Bullion	7,695,000

Here is surely any thing but the regularity of action which might be expected consistently with the professed rule of preserving the securities even, and of allowing the liabilities and the bullion to be acted upon by the public. The drain continued till May, 1835, the return being on the average of the quarter ending,

June 4. 1835.	Circul.	£18,460,000	Secur.	£25,562,000
	Deposits	10,568,000	Bullion	6,150,000

The bullion was, probably, in the interval of the three months included in that return, under six millions. The great reduction of treasure is ex-

* It has been stated that this excess of securities was occasioned by an increase of deficiency bills; but there is an end of the rule if deviations to this extent are to be admitted on the plea of a difference in the nature of the securities.

plained on the part of the Bank by a reference to the effect alleged to have been produced by the loans to the governments of Portugal and Spain.

"These loans were going forward from July, 1833, until towards the end of 1834, when the profits realised upon the daily extending engagements in the foreign stock market engendered a further spirit of speculation in almost every kind of previously neglected South American, Spanish, and Portuguese bonds, causing an enormous advance in all, and in some nearly 100 per cent. In short, until the spring of 1835, hardly a packet arrived from the continent which did not come loaded with every sort of foreign securities for realisation upon our foreign stock market. In reply, it may be stated, that not only the demand for the silver and export of the sovereigns originated and continued during the mania alluded to, but further, that that demand ceased the moment the reaction took place, in May, 1835, when a panic seized the dealers in foreign securities, causing their prices to fall with far greater rapidity than they had risen. In the progress of the contraction, which ensued upon the diminution of the bullion held by the Bank, the market rate of interest gradually advanced for first-rate commercial paper from $2\frac{1}{2}$ to $3\frac{1}{2}$ per cent. per annum, which may be quoted as having been its value in May, 1835. At that time there was no material increase in the paper money circulation of the interior; consequently, immediately upon the discredit taking place, the export of gold ceased, and the foreign exchanges further advanced, bringing back the major part of the gold which had been exported in the preceding eighteen months; thereby clearly showing that the currency was not redundant." — *Causes and Consequences of the Pressure on the Money Market, from the* 1*st Oct.* 1833, *to the* 27*th Dec.* 1836. pp. 27—29. By J. Horsley Palmer, Esq.

Upon this explanation it is to be remarked, that if, during the interval in which the influence of these foreign stock speculations is supposed to have been in progress, the securities of the Bank had been preserved in tolerable uniformity of amount, and if the liabilities had been reduced in any thing like a fair proportion to the reduction of bullion, and if the stock of bullion which had been lost, as is alleged, in consequence of those speculations, had, upon the reaction and discredit following, flowed back as fast as it had gone out, and that this reflux had taken place without any material re-

duction from the previous enlargement of the securities and liabilities of the Bank, there would have been a *primâ facie* case, a fair ground of presumption that the whole or the greater part of the fluctuation of the treasure of the Bank had been caused by these foreign stock operations. But as the drain, in the greater part of its progress, had been accompanied by a great increase of the securities and liabilities, and as the cessation of the drain in May, 1835, had been preceded by a considerable reduction of the securities, and by a still more considerable reduction of the liabilities, and by a rise in the rate of interest attending the contraction, it is impossible to exempt the management of the Bank from being considered as having been itself the main cause both of the drain and of the means of arresting it. The explanation therefore fails of establishing the conclusion proposed of the paramount influence of the foreign stock operations in the partial disturbance of the circulation which had occurred in that interval.*

The drain, it has been observed, was arrested in May, 1835, and it is stated in the extract from the work just quoted, that "immediately upon the discredit taking place, the foreign exchanges further advanced, bringing back the major part of the gold which had been exported in the previous eighteen months." But it appears by the return of the 20th October following, that the average amount of bullion for the three months preceding was only 6,186,000*l.*, and had not exceeded that amount by more than 140,000*l.* on the average of any of the intermediate returns; it cannot therefore be said, that the major part flowed back imme-

* Mr. Samson Ricardo, in a very able publication entitled "Observations," &c., has clearly pointed out the inconsistencies involved in the charge against the operations on the foreign stock exchange in 1834, as having been the exclusive cause of the efflux of bullion.

diately upon the discredit in the foreign stock market in May, 1835.

In the autumn of 1835, however, there was a strong tendency of bullion to flow into the Bank; and if the management had been consistent with the principle which had been professed on the part of the directors, of keeping the securities even, the treasure would have been restored to the amount which it had fallen from since October, 1833, namely, to between ten and eleven millions, consequently to that which had been held out to be a desirable proportion to its liabilities. If such proportion of bullion to the liabilities was ever desirable, it had become more particularly so in the autumn and winter of 1835–6.

Independently of operations on the foreign stock market, which a renewed tendency to a fall in the rate of interest in this country was again exciting to activity, there were two very important circumstances coming into operation, which were calculated in their progress to have a very material bearing on the position of the Bank, and on the value of the currency.

These circumstances were,—

1. The policy announced by the American government of introducing a larger proportion of metallic currency into the circulation of the United States, and of inducing, by an alteration of the mint regulations, an increased proportion of gold to silver.

2. The great extension of the joint-stock banking system in this country, and in Ireland, which in its tendency was likely to surcharge the circulation with paper and credit.

I cannot give a better description of the nature and tendency of these circumstances than is contained in the following passages of the publication last quoted, "on the causes and consequences of

the late pressure on the money market." pp. 29—33.

"In order to explain the cause and origin of the American demand, it may be proper to advert to the proceedings in America for the two preceding years. The avowed hostility of the president (Jackson) to the renewal of the charter of the Bank of the United States terminated, after a violent struggle, in compelling that institution to prepare for closing all its transactions in 1836, and for repaying that portion of its capital that belonged to government. In order, however, to increase the embarrassment of the Bank, measures were taken for removing from its custody the deposits of public money, and for placing them in the hands of various states banks, under condition that they should be prepared to pay a given portion of all demands upon them in *gold coin*. To facilitate this object, Congress passed a law reducing the quantity of fine gold in the eagle, the equivalent of ten dollars, from 246 to 232 grains. This depreciation of the American gold coin had the effect of raising the current value of the English sovereign from 4·44 dollars to 4·87½, or 8½ per cent. above its previous current value. Simultaneously with and in aid of these measures, several of the states were persuaded to prohibit the circulation of notes of less amount than five dollars. In taking these measures, it was an avowed object, on the part of the president, to endeavour to establish a gold currency, in conjunction with silver, throughout the Union. The hostility evinced towards the Bank of the United States, and the refusal to renew its charter, caused an immediate contraction of the usual accommodation granted at the numerous branches of that establishment, and, further, entailed upon the favoured states banks the necessity of procuring an additional supply of gold to enable them to fulfil the conditions under which they renewed the deposits of government money. This combination of circumstances, having no relation to the ordinary commercial transactions existing between this country and America, materially reduced the rate of exchanges with Europe, so much so as to afford a profit upon the importation both of gold and silver from England and other parts of Europe. The president, too, in order further to aid his favourite project of increasing the metallic currency throughout the states, directed, in the early part of last year, his agents in Europe to remit in gold to America the whole of the indemnity money to be received from France and Naples. About the time of that remittance having been made, a loan for a million or 1,200,000*l.* was negotiated in London on account of the United States Bank, to facilitate the settlements upon the expiration of the charter. The effect of that loan upon the currency of this country was further increased by a much larger amount than usual of American securities, or of States' stock, bank and canal

stock, &c., having been sent to Europe for sale, and upon which credit had been given by some of the principal houses in England, in anticipation of the sums they were expected to realise; thus throwing an inordinate amount of American paper upon our markets. If all these circumstances be adverted to, together with the very large amount of produce imported from America, the surprise will be, not that some, but that so small a portion of bullion should have been abstracted from England as that already stated. Since the 1st September last, the demand has entirely ceased; and, notwithstanding the desire of the American president to retain the bullion acquired from this country, it is not improbable that we may soon see it return from that quarter of the world.

"Having thus endeavoured to explain the causes which have operated to reduce the bullion of the Bank during the last three years, it becomes desirable to show why it is that the contraction of the circulation of the Bank has affected private credit more than in 1832, when a similar loss of bullion and contraction of the Bank's engagements were exhibited. The difference between the two periods appears to have been occasioned by the altered state of private banking in the interior of the country. In the first, there was no particular excitement either in England or Ireland, nor any excess in the issues of provincial paper. In the second, both countries teemed with competition created by the additional establishment as previously stated, within the short space of two years, of not less than seventy-two joint-stock banks in England and Wales, and ten in Ireland, with their innumerable branches in almost every town throughout the two kingdoms. It is needless to attempt to describe the competition that grew out of this excessive multiplication of banks: its effects were exhibited in a great and undue and even rash extension of paper money and credits, accompanied by an unusual reduction in the rate of interest in the interior of both countries, but particularly in Ireland: the commonest observer must have seen the gathering clouds, and dreaded the consequences."

There was assuredly, in the state of things thus described, a sufficiency of premonitory signals, of unerring indications, that a storm was impending, and that it was incumbent upon those at the helm, which governed the movements of the currency in this country, to take more than ordinary precaution.

For the counteraction of those circumstances, portending danger to its establishment, what was the obvious policy of the Bank? Most clearly to diminish its securities, as a means of effecting some contraction of the circulation, with a twofold view,

namely, first, to abate the tendency of the existing low rate of interest in this country to favour the financial operations whether of the American government or of the United States Bank, or operations generally in foreign stocks, entailing the transmission of capital abroad, and consequently an efflux of bullion; secondly, to restrain the joint-stock banks within due limits.

That the raising the rate of interest in this country in 1835 would have abated the tendency to an efflux of capital, and consequently to the *eventual* demand for gold, there cannot, it is to be presumed, be a question. But it may be, and indeed it has been questioned, whether it was in the power of the Bank to restrain the joint-stock banks, and whether a reduction of the Bank of England circulation would not afford the means to the country banks of extending their circulation, in consequence of the greater demand which might in that case arise for country notes, as the means of affording the accommodation to trade which was denied by the Bank of England. It is possible that for a short time during a small rise in the rate of interest, while confidence was entire, and trade and manufactures flourishing, and opinions in favour of joint-stock companies sanguine, the diminished accommodation granted by the Bank of England might be compensated by an enlargement of that afforded by the country banks. But such counteraction on the part of the country banks could not proceed far, nor last long, under a resolute reduction of its securities by the Bank of England. The reserves of the country banks must be in gold or Bank of England notes: these they would have an increasing difficulty to possess themselves of, the resource of re-discounting in London being greatly curtailed, so that the means of making advances, as well by discounts and by book credits, as by the issue of notes, would

be abridged, and the whole of the country circulation would thus be more or less restrained, with consequently a less eventual tendency to an efflux of bullion. Such at least would have been the probable effects of a reduction by the Bank of its securities, upon the country circulation of notes and credit. And most certainly such a measure would, according to its extent, have counteracted the foreign stock operations, which the directors so much and so fruitlessly reprobate. But not only were the securities of the Bank not reduced under circumstances which so obviously and imperiously enjoined a reduction, but they were actually increased in the three months ending in January, 1836, by no less than five millions beyond the amount in August, 1835. The directors thus repeated the very error committed by the Bank in 1817, and again in 1824, an error, the exact repetition of which was hardly to have been expected under the more enlightened management of the present period. The consequences of that great error have been seen in the uneasy and precarious position experienced by the Bank, and in the great pressure which was so severely felt in the money market for many months afterwards.

What renders the error the more unaccountable and inexcusable is, that no effort, no forcible operation, was required to avoid it. On the contrary, the adoption of that unfortunate course was attended with a considerable effort, inasmuch as it involved a departure from the ordinary rules or routine of the Bank; and it was moreover inconsistent with the principle by which the directors in modern times have professed to be guided. Nay, further, the very circumstances which form the main ground of the justification put forth on the part of the Bank (by those of the directors who are deservedly looked up to for their great knowledge of the

working of the system, and of banking generally), for their departure from the obvious course, were such as admitted of the measures for reducing the securities being taken with more than usual facility, and with the least possible disturbance of the money market, beyond the moderate increase of the rate of interest which every dictate of policy so strongly prescribed. The circumstances here alluded to are the deposits arising out of the loan for the West India compensation in the autumn of 1835, and the money borrowed by the Bank from the East India Company, repayable after a certain time, the Bank allowing a low rate of interest for the same. The mere retention of a part, if not of the whole, of these sums, so opportunely deposited with it, would have constituted the most simple and easy means conceivable of reducing its securities, of somewhat contracting the circulation, of moderately raising the rate of interest, and of replenishing the coffers of the Bank to an amount that might have made its position at once satisfactory and safe.

But it appears to have been considered by the directors that these particular sums might be laid out in productive securities, beyond the amount usually held by the Bank, without violating their professed rule of keeping their securities even.

These monies, so deposited, have, in the publications which have appeared, explanatory of the conduct of the Bank, been designated as *extra deposits*, and as not coming within the same category as the other deposits, nor amenable to the same rule of management; an amount of the securities therefore, equal to the amount of these extra deposits, as they are called, is, in their view of the question, to be taken out of the comparative statement of securities, and the position of the Bank is thus made out to have been consistent with the assumed rule of keeping the securities even.

The grounds of distinction by which these par-

ticular sums have been designated as extra deposits to be taken out of the recognised rule of management, and the reasons which induced the directors to avail themselves of that assumed distinction in laying out those deposits in securities beyond their usual amount, are stated in the following passage, extracted from Mr. Horsley Palmer's pamphlet before quoted.

"It may here perhaps be as well to explain the nature of what are termed extra deposits, in order to show that they are independent of the regular working of the Bank. They have consisted of money belonging either to government or the East India Company, altogether independent of their ordinary transactions. The first arose out of the contract for the West India loan, upon which a discount was allowed (by government), for prompt payment, higher than the market rate of interest; and as the prompt payments thus made were not required for issue to the West India claimants for several months afterwards, *it became necessary, in order to preserve the currency in the same state as if the payments for the loan had not taken place, and to prevent its undue contraction, to raise the money to the public.** This was done by contract with the money dealers, so as to insure its return to the Bank at the time of the adjustment being made with the claimants by the commissioners. It ought further to be borne in mind, that during the whole period of those loans the foreign exchanges were high, increasing the quantity of gold in the coffers of the Bank to a considerable extent; *a circumstance which would have rendered it quite unjustifiable for the Bank to have permitted a contraction of the currency by the* prompt payments on account of the loan, *and an advance in the rate of interest to have been thus unnecessarily and forcibly effected to the detriment of the commerce of the country.*

"The second case was that of the East India Company realising their commercial assets to an extent far exceeding their ordinary wants for payment. Upon the commencement of the accumulation, to the extent of 600,000*l.* or 700,000*l.* above their ordinary balances, an application was made to the Bank to ascertain whether it would undertake the risk of lending the money, paying to the Company a given rate of interest; if declined, the Company were prepared to lend it themselves, having received offers from some of the principal money dealers to take

* This and the other passages marked in italics, in this quotation from Mr. Palmer's pamphlet, and in the subsequent quotation from Mr. Norman's, are not so in the original; and they are here thus marked to draw attention to the particular parts of the reasoning, which not only do not bear out the proposed conclusions, but lead to the directly opposite.

it. The question therefore simply was, whether the notes should be paid away by the East India Company or the Bank? *It never could be expected that the Bank should be required to pay a rate of interest for notes or bullion belonging to others merely for the sake of keeping them unemployed;* having at the same time no excess beyond the 24½ millions of securities, which the ordinary *working deposits and circulation entitled that body to hold.* Hence it is evident, *that in the first case the Bank was, for the benefit of commerce, required to re-issue the monies received* on account of the West India loan; and that in the second, if the Bank had not consented to advance the money, the East India Company would have lent it themselves. *The only point therefore was one of management, namely, to keep the currency from undue fluctuation,* and to ensure the return of the notes from the market at the periods when the government and the Company required them for issue in the same direction, which was effected to the letter."

And Mr. Norman, in a recent publication, entitled, "Remarks on Currency and Banking," containing many clear and just views on the general subject treated of, endeavours, in the following passage, to obviate the objections urged by Mr. Loyd to Mr. Palmer's argument in defence of the increase of amount of securities, and to reconcile that increase with the principles according to which the directors, in their examinations by the Bank Charter Committee, professed to regulate the circulation.

"Mr. Loyd remarks upon the statement as given by Mr. Palmer of securities held by the Bank, that it is an arbitrary mode of making up an account to produce a desired result; implying of course that the securities held against the money belonging to the East India Company, and that paid in on account of the West India loan, and subsequently lent by the Bank, ought to be considered as a portion of the securities, to which the recognised principle of management is applicable, and that consequently the whole or published amount of securities, as being irregular, and often much larger than twenty-four millions, evinced, on the part of the Bank of England, a great deviation from this principle.

"Now it must be recollected that the sum of twenty-four millions was assumed as the proper amount to be held in securities upon a view of an amount of circulation and deposits, of which the deposits in question formed no part, and when their existence was not even contemplated. Owing to the realisation of the Company's commercial assets, its balance very greatly

exceeded the usual amount, and the East India directors naturally determined to make the excess productive. The Bank borrowed and employed this excess for fixed periods, taking care that the money dealers to whom it was lent should be pledged to repayment at the precise moment when the money was wanted by the authorities in Leadenhall Street. It was considered, and surely with reason, that by taking the entire management of this kind of transaction, the Bank would insure the least possible interference with the currency and money market, especially as the India Company is unused to such affairs. Had the Bank taken the money, paid interest for it, and not re-loaned it, for the sake of apparently, but not really, adhering to its principle of management, and the amount of securities originally fixed in accordance with it, viz. twenty-four millions, *a sum amounting sometimes to three or four millions would have been abstracted unnaturally from the currency of the metropolis, to the serious inconvenience of the public.*

" The reasoning applicable to the employment of the Company's money tells with increased force on that derived from the West India loan. Had the Bank determined to hold to the fixed amount of securities in the autumn of 1835, *the consequence would have been that almost the whole currency of the metropolis would have been found within its coffers.* We may be told that this could not have happened; *that the notes would have oozed out* through the discount-office to a greater or less extent, and the amount of securities been* pro tanto *augmented. This is doubtless true; but would not such a forced action have interfered materially with the natural play of the currency and the ordinary affairs of business? while hardly any inconvenience was felt under the course pursued,* viz. an offer of advances at a rate of interest calculated to call for, and which did indeed call for, nearly the exact amount of the loan, such advances being repayable at the periods when the compensation was to be disbursed to the proprietors of slaves. The whole transaction thus described appears to be creditable to the Bank, rather than deserving of blame; and it seems equally clear that Mr. Palmer was fully justified in omitting all reference to the West

* The notes would not have merely *oozed* out, they would freely have *flowed out,* if the Bank continued its rate of discount at 4 per cent.; while, by keeping its deposits without reissue, a slight pressure had been kept upon the money market. The probability is, that, in that way, nearly the same amount of circulation might have been preserved, while, by a moderate advance in the rate of interest, some part of the undue extension of credit might have been avoided; and, instead of interfering with the natural play of the currency, it would have preserved it; whereas, the course adopted was a *forced action,* and was among the causes of the disturbance of the natural play of the currency.

India loan, as well as to the India Company's extra deposits, in his statement of securities."

It is with the most unfeigned deference to the high practical authorities on banking matters, by whom the defence of the Bank on this occasion has been put forth, that I feel bound to say that they have, according to the best judgment which I have been able to form, upon a review of the controversy connected with those publications, failed wholly in making out a case of justification, whether according to the principle which has been held out as guiding the Bank, or according to any consistent view of maintaining the convertibility of the paper with the smallest disturbance of the amount and value of the currency.

The classification of deposits, whether they be government deposits, or working deposits, or bankers' deposits, or extra deposits, may be, and doubtless is, convenient, if not absolutely necessary, in enabling the directors to judge of the probable permanence or fluctuation of the amount so deposited, and to make their internal arrangements accordingly. If the entire amount of the deposits were permanent, the whole of the action, as it is called, of the public upon the position of the Bank, would be through the medium of bullion paid in against notes, or of notes claimed against bullion, while the Bank would have an entire control over the amount of its paper beyond that which had its exact equivalent in bullion, through the medium of securities. On the other hand, in proportion as the deposits are of a variable character, will be the power of the public to modify or counteract any effort on the part of the Bank to contract or extend its issues of notes through the medium of securities. But the nature of the deposits, although it may render certain descriptions of securities*

* The circumstance which both Mr. Palmer and Mr. Norman introduce into their explanation of the grounds on which these

more or less eligible, does not in the slightest degree affect the question of the amount of the securities which the Bank ought, with a reference to the due amount of the circulation and the value of the currency, to hold.

There does not appear to be the shadow of a ground upon which the distinction of the extra deposits, as constituting a *separate fund* for investment in securities, can be maintained. The distinction attempted rests simply and solely upon assertion; there is nothing like an argument offered in support of it that admits of being grappled with; and the assertion, therefore, of the compatibility of the increase of the securities in the autumn of 1835 and winter of 1835–6 with the rule professed by the Bank, can be met only by a denial of any grounds for the distinction by which that compatibility is attempted to be maintained.

But if the distinction were worth any thing, and if those deposits admitted of being applied to an increase of the securities without a violation of the system professed by the Bank, it would be a further and a more important question to consider, whether such application of those deposits was consistent with a view to the public interest, in the maintenance of the circulation in a sound and satisfactory state. If the increase of the securities had been with the avowed object of improving the means of keeping up a dividend for the proprietors, the motive would have been intelligible. But that is not the motive assigned, and there is every

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extra deposits, as they are called, were re-issued in the shape of loans to the money dealers, namely, that the repayments were stipulated, and punctually fulfilled, so as to meet the exact periods of the claims of the depositors, has nothing to do with the question of the regulation of the currency as relates to the public. It was a mere question of convenience to the Bank.

reason to give credit to the directors for their having been guided only by a view to the interests of the public. It is at least only on public grounds that the measure of the great augmentation of the securities in 1835-6 has been justified in the publications alluded to. And, strangely enough, some of the very consequences which it was desirable to produce, with a view to a more satisfactory and safe position of the Bank, seeing, as the directors admit they did, the impending dangers to which it was exposed, were precisely those which it is stated distinctly to have been the object of the measure to counteract. The motive expressly assigned for the re-issue of those deposits is, that the retention of them would have caused a contraction of the currency, and a rise of the rate of interest. In this statement of motives, the point in question is assumed by the terms applied. The term *undue* is applied to the contraction which it was one of the professed objects of the re-issue to prevent. And it is asserted that an advance of the rate of interest, which would have been the consequence of a retention of the deposits, would have been *unnecessarily and forcibly effected to the detriment of the commerce of the country.* It is difficult to conceive a greater misapplication of terms; for, upon a full view of the actual and prospective circumstances, "the gathering clouds," as they then presented themselves, the very opposite terms should have been applied. The retention of the deposits would have effected *a due contraction*, and would have caused an advance of the rate of interest, *without an effort, and almost imperceptibly*, to *the great benefit of the commerce of the country*, which suffered so essentially by the course that was unfortunately adopted.

It seems hardly to admit of a doubt, after all the memorable experience of events in the two years following the autumn of 1835, that a mo-

derate rise of the rate of interest at that time, continued with perhaps a slightly increasing pressure for some months after, would have exercised a very salutary influence, and would greatly have mitigated, although it might not have altogether prevented, the subsequent fluctuations in the money market, and in the state of credit, and in such of the markets for produce as were connected with the state of credit. Such rise in the rate of interest must infallibly, as far as it went, have diminished the facility, consequently the extent, of negotiations of foreign securities, and of the financial arrangements of the banks of the United States, all tending to the efflux of capital from this country. It would also have tended to abate the eagerness which was manifesting itself to adventure in joint-stock banks, one great inducement to which was specifically the low rate of interest. But more especially would a moderate pressure on the money market, caused as it would have been by the absorption of the payments from the West India loan without re-issue, have circumscribed within much narrower limits the power of re-discount by the joint-stock banks, which some of them exercised so mischievously. It is highly probable, too, that an earlier manifestation of a tendency to a pressure for money, which was felt so severely a few months later, would have restrained the extravagance of extent to which credits were granted in America upon this country, and which led, at the close of 1836, and in the first six months of 1837, to so serious a derangement of our commercial intercourse, not only with the United States, but also with British America.

And is it not clear that it was the inevitable tendency of the course unfortunately adopted by the Bank to produce the very opposite effects? Is it not notorious that the money dealers were thus furnished with an unusual command of funds, which enabled them, as they had every inducement, to

discount almost *ad libitum* the vast amount of bills which came to them with the joint-stock bank or other undoubted indorsements? And is it not natural to suppose that the houses in the American trade were, by the extraordinary facility of credit then existing in this country, misled into entering into engagements to an extent that they never could have contemplated, if they had not relied upon a continuance of the same facilities of the money market as prevailed in the latter part of 1835 and the beginning of 1836? As to the statement that the exchanges were high in the winter and spring of 1835–6, increasing the quantity of gold in the coffers of the Bank, the simple answer is, that they were not high enough, and had not continued so long enough, to restore the treasure to the state from which it had fallen in the preceding two years, and to which it ought to have been raised, looking to the liabilities, *attended with such contingencies as required a very full treasure to face them.*

As far as relates to the West India deposits, there may perhaps be supposed to be less difficulty than in the case of the East India loan of coming to the conclusion that the sums so received ought not, under the circumstances described, to have been re-issued.

On the part of the Bank, it is contended that the East India Company was prepared to have lent the money to other parties, if the Bank had not consented to take the amount on loan for a certain time on interest, and that it could not be expected that the Bank should be required to pay interest for notes or bullion belonging to others, merely for the sake of keeping them unemployed. The expectation, however, that the Bank should so have kept them is not quite so unreasonable as seems to be supposed. The question of the propriety of their so doing would depend upon the degree in

which it might be desirable to keep down, or to contract, the circulation, through the medium of the securities; and if, seeing the "gathering clouds," and justly apprehending the consequences, it had then been judged expedient, as a measure of precaution, to contract the circulation, there were no means so ready, and none so little calculated to disturb the money market, as simply not to re-issue the amount of the loan. For, suppose that the East India Company had, without any previous offer to the Bank, lent the money in the market; if the Bank at that time was so situated as to make the contraction of its circulation, by a diminution of its securities, desirable, the opportunity would have been considered favourable for selling exchequer bills, or realising any other securities held by the Bank to the same amount; and still more favourable the opportunity, and more advantageous than any sale of securities, to effect the object, would have been the retention, instead of a re-issue, of the amount of the loan at a low interest from the East India Company.

The whole question of the propriety of that re-issue turns upon the expediency, greater or less, of a contraction of the circulation in contemplation of the extraordinary circumstances which, by the avowal of the directors, were such as to common observers bore a threatening aspect as regarded the eventual position of the Bank.

This question has not been answered on the part of the Bank. The directors seem to have thought it more incumbent upon them to justify their attempt to contract the circulation, by raising the rate of discount in July, 1836, than to account for their not having made the effort at least six months sooner. Thus, in the apology for the Bank before quoted, it is observed, at page 36., with reference to the advance of the rate of interest in the summer of 1836: "Adverting to the excess

of the country issues, and looking to the race running with increased violence in Ireland, as well as England, the Bank was fully justified in arresting the evil which might attend a continuance of the export of bullion from the redundancy of money, by making an advance in the rate of interest in London, and at the branch banks. In fact, the only question about which there can be any difficulty is, whether she ought not to have taken this step somewhat earlier." Most assuredly there can be no difficulty in answering this question, by any one who saw the gathering clouds; and that answer would be, that the step ought to have been taken much earlier. But, it is added, "To have acted in anticipation of events likely to occur, would have been in direct violation of that principle upon which the Bank professed to be guided, and which parliament had tacitly sanctioned. It would, moreover, have established a precedent, and imposed future responsibilities upon the directors, which it is questionable whether they should ever incur, either upon their own account or that of the public." It is, I confess, inconceivable how, seeing as they did "the gathering clouds," their acting in anticipation of the storm by taking the obvious precaution of keeping down their circulation, by a reduction, or at least a limitation of their securities, so as to bring their stock of bullion to a nearer proportion to their liabilities, could be considered as a violation of the principle upon which the Bank professed to be guided. This is as much as to say that they sinned with their eyes open, because *upon principle* they were expected to act as if their eyes had been shut.

But, when the drain on the coffers of the Bank was taking place to an extent and under circumstances which could not leave a doubt as to the urgency of the occasion for taking effectual measures to contract the circulation, so as to stop the drain, the steps taken were totally inadequate

to the object. The advance in the Bank rate of discount to 4½ per cent. in July, 1836, coming so late as it did, and when the circumstances determining the efflux of the metals had acquired such force, had not apparently the slightest effect in reducing the securities or contracting the circulation. Indeed, the securities were considerably, and the circulation in a slight degree, actually increased in the face of a continued drain from evidently deep-seated causes. This will appear on a comparison of the four following monthly returns.

1836.		£		£
June 28.	Circulation	17,899,000	Securities	27,153,000
	Deposits	13,810,000	Bullion	7,362,000
July 26.	Circulation	17,940,000	Securities	28,315,000
	Deposits	14,495,000	Bullion	6,926,000
Aug. 24.	Circulation	18,061,000	Securities	29,345,000
	Deposits	14,796,000	Bullion	6,325,000
Sept. 21.	Circulation	18,147,000	Securities	29,400,000
	Deposits	13,324,000	Bullion	5,719,000

It is utterly impossible by any analysis of the kinds of securities, or of the nature of the deposits, or of the proportion between the London and the branch Bank of England issues, to explain away the glaring inconsistency which the above comparison exhibits between the state of the circulation as it *was* administered, and that which *ought to have been* its state, if it had been administered according to *any* recognised rule for the administration of a convertible paper currency. It is not only at variance with what it would have been, if the circulation had been so regulated, as to expand and contract with the variations of the amount of bullion, but is quite irreconcileable with the principle professed by the Bank directors of keeping their securities even. If they had been so kept, it is clear that a considerable reduction of the liabilities must have been the result, and consequently an earlier pressure on the money market, and a retardation if not a stop to the drain. Even admitting the monstrous assumption, foundèd upon the distinction of

the deposits, by which an amount of no less than about 4½ millions is gratuitously and arbitrarily deducted from the securities actually held by the Bank, it appears that there was, even after deducting those 4½ millions, an increase of the securities precisely in the interval in which the indications were most urgent for a reduction; for instance,

28 June, 1836	- -	£22,600,000
27 Sept. —	- -	24,800,000

I must confess that the more I have endeavoured to understand the explanations on the part of the Bank, the more unintelligible do I find them.

Thus, after the passage already quoted, containing a disclaimer on the part of the directors of being bound to act in anticipation of events, is the following:—

"The large amount of money deposited at interest with the Bank, by the East India Company, for a limited period, and which was lent to the money dealers in London, afforded considerable facilities for rendering the rise in the rate of interest immediately effective; the object was not one of profit to the Bank, but to enforce that contraction, and to establish that general rate of interest which, but for the undue increase of the issues of the joint-stock banks and others in England and Ireland, should have followed the export of bullion."

If the large amount of money deposited at interest with the Bank of England, by the East India Company, had not been lent out by the Bank, I can understand how it would have afforded facilities for rendering the rise in the rate of interest immediately effective; but how, when lent out again, as it was, it could afford such facilities, is not very intelligible. The following passage is in immediate continuation of that above quoted:—

"The course thus taken by the Bank was, in the first instance, counteracted by the other issuers of paper money in England, Ireland, and Scotland. The demand for bullion continuing, the Bank fur-

ther advanced the rate of interest in August to 5*l.* per cent. per annum, which forced additional securities upon many of those country banks that adhered to a lower rate. Their surplus funds in London being soon absorbed, they all eventually adopted the rate of interest established in London. There was, however, an effect created by this act on the part of the Bank far more powerful than the actual advance in the value of money. It was a moral apprehension, in all prudent minds, that there was mischief abroad; and those who had been promoting and applauding the action of the joint-stock banks began to doubt the solidity of the system."

The inferences afforded by this passage form the strongest possible condemnation of the conduct of the Bank prior to the advance of the rate of discount to 5 per cent. in August, 1836. It is quite clear that, if that measure had been adopted as much earlier as it ought to have been, or if some still more cogent measures had been taken, as they might have been, when it was no longer a question of anticipation, but when all the symptoms of a circulation surcharged with paper and credit had become manifest, some part of the subsequent mischief might have been averted. It is expressly stated in the foregoing extract, that, although the course taken by the Bank was counteracted in the first instance by the other issuers of paper money, their funds in London were soon absorbed, and they all eventually adopted the rate of interest established in London; and that, what was of more importance, a moral apprehension was excited by that course, in all prudent minds, that there was mischief abroad. This proves that the Bank had the power of eventually controlling and limiting the country circulation; and it further affords fair grounds of inference, that the Bank, by the opposite course, which it unfortunately adopted in the autumn of 1835, cannot have failed of

facilitating the extension of country paper and credit.

But the advance of the Bank rate to 5 per cent. in August, 1836, although salutary as far as it went, had been too long delayed to be effectual in reducing the securities, thence contracting the circulation, and thus stopping the drain of bullion. The increased applications for discount at the advanced rate would, if they had been complied with to their full extent, have greatly increased the securities and the circulation, and thus have hastened the efflux of bullion. Some accessary measures were adopted by the Bank.* Not only were all bills that were presented, having an indorsement by joint-stock banks of issue, rejected, but a large proportion of the immense amount of bills drawn from America on, and accepted by, several first-rate establishments in this country, were thrown out without any regard to the circumstance that the acceptors were considered to be of the most unquestionable solidity. This proceeding of the Bank in London was followed by an intimation, on the part of its branch bank in Liverpool, that no paper drawn from America on certain houses would be discounted. This intimation, to

* The resource of selling exchequer bills had failed by the fall of the market for these securities to a discount, and a great outcry was raised against the Chancellor of the Exchequer for not having funded some portion of them, but more especially for not raising the rate of interest upon them. One ground of the clamour was, that the Bank, in consequence of not being able to sell exchequer bills, was obliged to limit its accommodation to trade, in the way of discounts, below what it might otherwise have done. The interest on exchequer bills was eventually raised; but it is to be hoped that it was on financial grounds only that it was so raised; for it would be a monstrous and most mischievous doctrine, that as long as the paper currency is administered independently of the direct control of government, the arrangement of the finances should be influenced in the slightest degree, with a view to relieve the banking or mercantile interests from the consequences of overtrading.

which a good deal of publicity was given (accidentally I believe), had considerable effect in extending the feeling of apprehension, and the tendency to commercial discredit, which were already beginning to prevail.

After September, 1836, the state of discredit of some of the most mismanaged of the joint-stock banks, with the apprehension arising from the measures taken by the Bank of England, having had the effect of inducing both the town and the country bankers to increase their reserves, the demand for gold for export appears to have abated, if not wholly to have ceased, and to have given way to an internal demand which kept up the drain of bullion from the Bank, so that the treasure was in a state of progressive diminution.

In November, 1836, the Agricultural and Commercial Bank in Ireland suspended its payments; and at the close of the month the embarrassments of a very considerable joint-stock bank in Manchester, the Northern and Central, established so recently as 1834, with a paid-up capital of about 700,000*l.*, and with about forty branches, had become so pressing as to occasion an application to the Bank of England for assistance, which was granted. If the Bank of England had been in the position in which it ought to have been, namely, with a due proportion of bullion to its liabilities, there is little doubt that its policy would have been, or ought to have been, a refusal of interference. For, whether with a view to the interests of the Bank proprietors, to whom the extension and competition of the joint-stock bank system was most obnoxious, or to the interests of the public who were concerned in repressing some of the mischievous tendencies of that system, the Bank ought not to have interfered; and the only justification of that interference which ought to have any weight has been that it was a measure on the part of the Bank of self-preservation.

The treasure of the Bank being at that time so low, so culpably low, it became a matter of very serious consideration whether, if the Northern and Central Bank were suffered to fall, as it ought to have been, the state of discredit of the country circulation, consequent on that failure, might not have been such as to have created a run for gold, which might speedily exhaust its scanty remaining stock. There is great reason, with the benefit of experience since derived, to doubt whether, if the Northern and Central Bank had been suffered to undergo the penalty which the gross mismanagement of its direction so amply merited, and the benefit of example so strongly required, the Bank of England would have experienced any great additional drain. There had, throughout the pressure on the money market, both in town and country, during the whole period from the summer of 1836 to the autumn of 1837, not been the vestige of any thing like discredit of Bank of England notes; and this being the case, the clause of the Bank Charter Act, rendering Bank of England notes a tender from all but the Bank itself, came beneficially into operation.*

In Ireland, on occasion of the failure of the Agricultural Bank, and of a run upon some of the others, there was a great demand for gold. It was doubted whether the legal tender clause was applicable to that part of the United Kingdom; and if the point had been clear in the affirmative, it is

* It has been supposed by some persons whose opinions possess great weight, that the legal tender clause had been one among other causes, of the undue extension of paper and credit by the country bankers; but I confess that I am quite at a loss to conceive how it could have had the slightest tendency to that effect, while in the critical state of the circulation, in the last six months of 1836, it cannot but on all hands be admitted to have operated exactly in the beneficial way which was contemplated when that provision was inserted in the Bank Charter Act.

probable that there would still have been a demand for gold, although not to the same extent. But in the great majority of the cases of English country banks, whether joint-stock or private, the probability is, that any run upon them, in consequence of the failure of the Northern and Central Bank, would have been attended with more of a demand for Bank of England notes than for gold. In every point of view, therefore, the interference of the Bank was detrimental to the interests both of its proprietors and of the public. The Bank has by that interference done more to increase the competition of the joint-stock banks with itself, and to perpetuate and extend whatever of evil is attached to the system, than any legislative regulations which can be devised are likely to counteract.

The determination of the Bank of England to support the Northern and Central, took place on the 1st of December, 1836. But the pressure on the money market, notwithstanding the publicity of that determination, went on increasing, and yet the drain on the Bank coffers continued, chiefly by a demand for gold in Ireland. Still, with the exception of some failures in London, of no great extent, nor apparently originating in the immediate pressure of the money market, there had been thus far but little of commercial discredit. It was not till the commencement of 1837 that doubts began to prevail of the adequateness of the resources of the principal houses in the American trade, vast as those resources were known to be, to meet the enormous, the extravagant extent of their engagements. In February, the difficulties of those houses had become matter of notoriety, and it became known in the beginning of March that assistance had been applied for and given by the Bank of England to three of the principal establishments in the American trade. On the propriety of that

assistance being granted, on the extent to which it went beyond that which had been contemplated when the application was first made, and on the departure by the Bank from its rules, in the footing on which its advances to these houses were made, I will not enter, as the discussion would involve personal feelings and considerations which I should wish to avoid.

The advances thus made to the Northern and Central Bank, in the first instance, and subsequently to the American houses, had the effect of greatly increasing the amount of the securities held by the Bank. The greatest reduction of treasure had occurred in February, 1837. Thenceforward there appears to have been a slow but progressive influx of bullion. The circulation of the Bank underwent comparatively very little alteration during the remainder of the year. The state of commercial discredit, however, was very great throughout the first six months of 1837. In January there had been a heavy failure in the silk trade. In February and March the difficulties of the American houses were exciting general attention, and a distrust of consequences. And as it appeared, soon after the first assistance had been given, that further and almost indefinite advances on the part of the Bank would be required to carry the houses through their difficulties, a great and increasing anxiety prevailed on the subject among the commercial circles. The accounts from the United States of America, of great and increasing pressure on their money market, which rendered more precarious the prospect of the speedy liquidation of the sums due from thence to the embarrassed houses on this side, added to the gloom and apprehension prevailing here in the spring of that year. By the end of May the embarrassed American houses were again driven to the necessity of applying to the Bank for further assistance; but

not having sufficient security to offer, and the previous advances already amounting to much more than had been contemplated, the application was, after much and anxious deliberation on the part of the directors, finally refused. Upon the final rejection of the application, namely, on the 1st June, 1837, the three great houses to whom the previous assistance had been granted, suspended their payments. These were followed within a few days by other houses, chiefly in the same branch of trade; but on a smaller scale of engagements. The week immediately following the 1st June, 1837, may be considered as that which is designated as the period of panic; and there was more or less of uneasiness and pressure through the remainder of the month. Thenceforward, or very soon after, there was an improved tone of commercial feeling. The great mass of doubtful paper and credit having been removed, or much reduced, the circulation was restored to a healthy state. Markets being no longer supposed to be bolstered by undue credit, became buoyant for those articles which had been most under the influence of the previous discredit; and the general trade of the country had, by the autumn, and in the closing months of 1837, revived to a considerable extent. The influx of gold, since last summer, has been more rapid than the previous efflux; and as only a twelvemonth ago the Bank was encumbered with securities, and drained of its treasure, so it has recently become bare of securities, and its coffers overflowing.

The Bank having scrambled through its difficulties into a position of safety, may naturally claim merit from the event.

There were, however, two circumstances of possible, and not at all improbable occurrence, in the reduced state of the Bank coffers, between the summer of 1836 and the summer of 1837, which might have rendered the position of the Bank still

more critical than it was, and rendered its escape from suspension more doubtful.

One of the contingences alluded to was that of a bad harvest in 1836. If the weather in the south of the kingdom had been as adverse for the securing of the crops as it had been in the north, where the inclemency of the season was little short of that of 1816, the necessity for a large importation of foreign corn, but more especially the exaggerated apprehension of the largeness of the supplies requisite, would have operated powerfully in depressing the exchanges, and consequently in aggravating the other causes of drain on the Bank coffers.

The other contingency was of a still more formidable description, namely, that of the banks in the United States of America having taken all the measures of precaution which were open to them, and which they ought to have availed themselves of, for putting themselves into a position of security, not only against the effects of the President's celebrated specie circular, which was issued in July, 1836, but also against the effects, which must have been obvious to them soon after, of the tendency to a contraction of the currency in this country. The clear and proper course for them to have pursued was resolutely to contract their liabilities; and if they had done so to the requisite extent, the exchanges must have been in such degree and duration against this country as would have gone far towards the exhaustion of the reduced treasure of the Bank of England. To their great discredit they did not adopt measures of due precaution, and we have seen the consequences in their disgraceful suspension. It would be foreign, however, to the purpose of this work, to enter upon the question of the American banking system; the only reason for this incidental reference to it has been to point out how narrow was the escape of the Bank of England, and how much more than to

its own merit in the escape was owing to the demerit of the American banks.

In the question immediately before us, it is requisite, preparatory to entering upon the examination of the connection of the state of the general circulation with prices in the period now under consideration, to bestow a few words upon the degree in which the currency was affected by the issues and credits of the joint-stock and private country banks.

Public attention has been drawn in an especial manner, within these two years, to the great extension which the system of joint-stock banking has experienced, and to the abuse of credit which, in some flagrant instances, has marked its progress.

There has been much of want of knowledge, and of want of principle, and of recklessness of consequences, in the management of some of those establishments, which have acquired an unhappy notoriety; and there has, apparently, been a pervading want of prudence in the regulation of the issues, and in the circulation and re-discount of bills of exchange, and in the credits granted by, perhaps, a majority of them.

As regards the issue of notes, there can be no doubt that it comes distinctly within the province of regulation by the state. With regard to the other functions of the banks, they do not come necessarily within the cognizance of the legislature; but, in as far as they require, for the convenience of management, certain facilities and privileges which can only be conferred by parliament, they become amenable to such restrictions and regulations as, in the view of the public interest, the legislature may think proper to impose as the condition of the privileges conferred. It is very proper therefore, seeing the abuses of credit which have prevailed, that the whole question of the system of joint-stock banking has become the

subject of enquiry by a committee of the House of Commons. That the system has been attended with much abuse, and that it requires correction and regulation, cannot admit of any reasonable doubt; but I am inclined to think that there has been some exaggeration in the charges brought against the joint-stock banks, as to the degree in which they may be supposed to have interfered with the due action of the Bank of England, and to have been mainly instrumental in producing the fluctuations of credit, and of prices, which have occurred within the period now under consideration.

In some instances, the increase of the issues of notes by the joint-stock banks has been held out, by implication, as the measure of the addition made by them to the circulation. But the fact is, that some of the private banks had merged into joint-stock banks. The issues of the private banks, probably from this cause, underwent some diminution, while those of the joint-stock banks were extended; and it is only the aggregate of the issues, by the private as well as the joint-stock banks, that is to be considered in its effects on the value of the currency. In this view there does not appear to be such extravagance of excess in the country circulation as has been charged.

If the joint-stock banks only be taken, the increase would appear to be very considerable: thus,

Dec. 26, 1835 - -	£2,799,551
June 25, 1836 - -	3,588,064
Dec. 31, 1836 - -	4,258,197

being at the rate of 50 per cent. within the twelvemonth.

But if the aggregate issues of the joint-stock and private country banks be taken, namely,

Dec. 26, 1835 - -	£11,134,414
June 25, 1836 - -	12,202,196
Dec. 31, 1836 - -	12,011,697

it will appear, that the total increase, at the end of the twelvemonth, was not quite 8 per cent., while, between June and December, there had actually been a diminution. And on what grounds the increase from December, 1835, to June, 1836, can be charged as any very great or blameable excess, is not very clear. The Bank of England itself, during the greater part of the corresponding interval, had been enlarging its securities, and increasing its issues; and the monthly returns indicated no reduction worth mentioning of bullion at the close of the month of May. The exchanges, too, with the Continent of Europe, appeared to be high. Down to June, therefore, which was the earliest period at which the country banks could have notice of any material change in the position of the Bank of England, there was no obvious ground on which they could consider themselves called upon to contract their circulation; supposing even that they had professed themselves to be, and had, in fact, been guided by a view to the position of the Bank of England and the state of the exchanges.

But, in truth, when so called upon, they appear to have attended to the call, inasmuch as in the quarter ending on the 24th September, 1836, they had reduced their issues by nearly 500,000*l.*, while the returns of the Bank of England circulation exhibit no corresponding reduction. Thus, taking the nearest corresponding dates, the comparison of the circulation will stand thus:—

1836.	Bank of England.		Country Banks.
July 2.	£18,315,000	June 25.	£12,202,196
Sept. 22.	18,240,000	Sept. 24.	11,733,945

The Bank circulation, as above stated, is from the Gazette returns; but, in a comparative statement, contained in Mr. Norman's pamphlet, page 77., the average circulation of the Bank is stated to have been,

June 25, 1836	- -	£17,184,000
Sept. 20, —	- -	18,147,000

Here, in this most critical period, when a contraction was imperatively enjoined, there is an increase of a million, while the issues of the country banks had experienced a reduction of nearly half a million.

Can there, then, be the shadow of a pretence for the charge, that the issues of the country banks interfered with any efforts by the bank of England to bring within due bounds the total amount of the currency? The sinning party, if there were such, down to this period, was clearly the Bank of England.

There was an increase of the country bank issues at the close of December, 1836, as compared with September preceding, although only to the small amount of between 200,000*l.* and 300,000*l.*, while the issues of the Bank of England had been contracted.

But this increase proves nothing as to any counteraction, by the joint-stock banks, of the efforts of the Bank of England to arrest the drain on its treasure. All demand for bullion for export had ceased, proving that there was no longer any redundancy of the general circulation; while the fact that the country bank issues had been increased, in however trifling a degree, in that period of pressure and of tendency to commercial discredit, proves that, with the exception of the one or two notoriously mismanaged joint-stock banks, and two or three minor private banks, which failed about that time, there was no general discredit, nor any thing like derangement of the country circulation; and it was well for the Bank of England that such was the case, because, if there had been any derangement of the country circulation, approaching in extent that of 1825–6, the drain upon the coffers of the Bank, to supply

the chasm, might, notwithstanding the legal tender clause, have been to such an extent as, with the effects of the superadded alarm, might greatly have increased the difficulties of its position.

There is, therefore, not the semblance of a case made out against the country bank issues of England and Wales, as having thwarted the Bank of England in the regulation of the currency, between December, 1835, and December, 1836.

But both Mr. Palmer and Mr. Norman introduce into the discussion (being, as far as I am aware, the first instance of such a reference) the state of the country circulation of Ireland, as proving the great tendency to excess, and the consequent counteraction to the Bank of England.

Mr. Palmer states, that in Ireland the average in June, 1834, was 1,300,000*l.*, and in June, 1836, was 2,300,000*l.** Now, till June, 1836, there had

* Mr. Norman also remarks upon the extravagance of issues of the Irish joint-stock and private banks, because, comparing the half-years ending June, 1835, and June, 1836, they increased their circulation from 1,713,000*l.* to 2,291,000*l.*, or about 30 per cent. This per-centage sounds very largely, but dwindles to very little if it be confined to the aggregate of the issues in Ireland, as it ought to be, for it would then fall somewhat short of 10 per cent.: thus,

June 27, 1835	-	-	£5,140,000
June 25, 1836	-	-	5,629,000

And if the aggregate increase be taken from the 28th December, 1834, when the total issues were 5,250,000*l.*, the per-centage of increase in June, 1836, would be little more than 6 per cent. I mention this because it strikes me that stress has been too exclusively laid upon the amount of issues of notes, whereas the great excess of some of the joint-stock banks, more especially the Agricultural and Commercial Bank, was the undue extent and the objectionable nature of the securities upon which they made advances. That the excess was not so much in the circulation of notes as in the discounts and advances, may be shown, not only by a reference to the enormous amount of these as compared even with its notes, but by the circumstance of the aggregate of notes in circulation in Ireland, including those of the Bank of Ireland, having been increased, as it was at the close of 1836, while the mere credit part of the circulation was then greatly reduced.

been, as I have already had occasion to observe, no sufficient warning by the Gazette returns, nor by any contraction of the Bank of England issues, of any excess in the general circulation. But, why go back to 1834? The whole question, in strictness, turns upon the interval between the autumn of 1835, and that of 1836; for, at the close of 1835, and through the first three months of 1836, the exchanges were rising, and bullion flowing in, and the Bank of England gave so little intimation of apprehension of excess, that it had greatly enlarged its securities, and had actually increased its circulation by upwards of 700,000*l.*: for instance, the quarterly averages were,

Dec. 17, 1835 - -	£17,321,000
April 5, 1836 - -	18,063,000

By Mr. Norman's statement, the increase of the Bank of England circulation appears to have been greater: thus,

Dec. 26, 1835 - -	£16,564,000
March 26, 1836 - -	17,699,000

At the same time, according to Mr. Norman's statement, the whole increase of the Irish circulation, including that of the Bank of Ireland, had been only,

Dec. 26, 1835 - -	£5,334,000
June 25, 1836 - -	5,629,000

This reference, therefore, on the part of the Bank, to the excess of the issues in Ireland, as contributing to disturb the action of the Bank of England, is making mountains of molehills, besides the inconsistency of having enlarged its own issues contemporaneously.

But, although, upon a fair investigation, it does not appear that there was any such excess of the country bank issues of notes either in England, or even in Ireland, as to justify the charge brought against them of having, by those issues, interfered with the due regulation of the cur-

rency by the Bank of England, the joint-stock banks appear to have been instrumental in an undue and mischievous extension of credit, by discounts, and re-discounts, and advances on personal security. At the same time, it is an important fact, with reference to the vast mass of bills of exchange which were the subject of discount and re-discount, with the endorsements of the joint-stock banks, that, in the collapse of credit which has followed the late excessive expansion, there has been so little of failure or discredit, excepting among houses connected with the American trade, and excepting, of course, the two flagrant instances of the Agricultural and Commercial Bank in Ireland, and the Northern and Central Bank in Manchester. It is very probable that, in other instances less flagrant, there may have been much mismanagement, and much loss to the proprietors by bad debts, from the improvidence with which the credits must, in some instances, have been granted. But still there is no doubt of the fact, that no derangement whatever, analogous in kind, or approaching in degree, to that which occurred in 1792–3, 1796, 1810 to 1812, 1814 to 1816, and, lastly, in 1825–6, is chargeable upon the country circulation in 1836–7. And I must here confess that this is a result different from that which I had anticipated in the spring and summer of 1836, when I heard, on all sides, of the immense magnitude of the operations of the joint-stock banks.

That those operations were too extensive to be consistent with a due regard, on the part of the managers, for the interests of their proprietors and the public; that, in short, they participated too much in the spirit of overtrading then prevalent; and, perhaps, in their turn, gave additional impulse to that spirit, cannot, with the experience which we have had, well be questioned. But the comparative exemption from failures, and from con-

sequent disturbance of the circulation, under circumstances so trying as those which occurred a twelvemonth ago, must, in fairness, be admitted to form no slight ground for inference in favour of the system on which the country bank establishments, both private and joint-stock, have been conducted since 1825–6. The private banks seem to have profited by the lesson, and by the purification which they then received; and the joint-stock banks appear, upon the whole, to have justified the policy which led government and the legislature to promote the establishment of them. How far the principle of unlimited responsibility, which (with the exception of the Bank of England and the Bank of Ireland, and two of the chartered banks of Scotland,) pervades the whole of the banking system of this county, may have contributed to the solidity which it has been proved, by the ordeal it has recently passed through, to possess, I will not stop to discuss, because it is not within the immediate scope of this enquiry: I will only on this point observe, that the system, such as it is, stands out in pre-eminently advantageous contrast to the discreditable exhibition of the American banks, with their state charters and limited responsibility.

But whatever may have been the merits or demerits of the system under which the circulation has been regulated, the immediate question for consideration is, how far it exercised an undue influence on prices within the period under examination; by undue influence being meant, its having caused variations of prices greater, and therefore more injurious, than would have occurred under a system in which the regulation of the currency should have been conducted with more regard to any recognised principle than that which has been observed in the management during the last five years.

If the description which has been given of the

state of markets, from the commencement of 1833 to the close of 1835, be referred to, it will be seen that while one large class of articles was falling in price, and was at the commencement of 1836 lower than it had been for many years before, many important articles, chiefly the raw materials of manufactures, which had been most depressed in the preceding epoch, had risen in price. This tendency in opposite directions of classes of articles, constituting probably nearly equal values, forms a *prima facie* presumption that the currency, as regarded its operation on prices, was in a quiescent state. But, independently of that ground of presumption, it has appeared, or admits of being satisfactorily shown, that, in the case of the important classes of produce which fell in price, there was a sufficient cause in the excess of supply beyond the utmost rate of consumption; while, in every instance of a rise of prices, the advance was (with the exception only of occasional isolated and short-lived speculations, which are incidental to all markets) not more than fairly proportioned, according to the most sober mercantile reasoning, to the reduction of stock which was in progress by a rate of consumption outrunning the ordinary rate of supply.

In fact, the only interval in which there can be any plausible ground for inferring the possibility of a direct influence of the currency on prices, is confined to the first six months of 1836. During that short interval the prices of corn, and of some other articles that had been most depressed, experienced a considerable advance, at the same time that cotton, silk, and other raw materials of manufactures, and the metals, which had before been rising, experienced a still further rise. This state of simultaneously rising markets of the largest proportion of the leading articles of consumption, coincident as it was with an extraordinary spirit of speculation directed to joint-stock companies, has served to

countenance the impression that the markets for produce, as well as the share markets, were under the direct influence of an unduly enlarged circulation. That the circulation was unduly enlarged and redundant, and that the rate of interest was unduly kept down, looking to what was going forward in the United States of America, and in the formation of joint-stock companies in this country, I have already had occasion to observe. And there is reason to believe that this state of the circulation, although it had not excited, yet allowed of a greater extension to the spirit of speculation in shares, than would otherwise perhaps have taken place. But very little if any part of the rise of articles of produce in the spring of 1836 can be referred to the state of the currency, inasmuch as, in the case of every article that had risen, the state and prospects of supply were such as, upon mercantile grounds, in the opinion of the persons best acquainted with the trade, fully justified the rise.* The best proof that the rise was so justified, as regarded the raw materials of manufactures, is, that even at the advanced prices, there was apparently an insufficient check to the consumption, which, at the rate at which the manufacturers were proceeding, threatened a complete exhaustion of stock before the period of fresh arrivals to a sufficient extent. And many of the manufacturers, including those of the metals, had, as has already been noticed, more orders on hand than, in several instances, they could execute in the ordinary time. Of the grounds for the rise in corn an explanation has already been given.

But if the grounds stated for the advance of prices in the spring of 1836 were not so obviously

* Silks may perhaps be considered as an exception, the article having been purchased largely, and held on credit, by one house which failed in January, 1837, and the sale of whose stock contributed, with the forthcoming fresh supplies, to the subsequent depression of the market.

adequate as they are, the presumption against any direct operation of the circulation, and of the low rate of interest, in having produced or maintained that advance of prices, is the strongest possible on another and a perfectly decisive ground. If the state of the currency and the money market had been the originating, or even a considerably co-operating cause of the rise, the change in the money market, and the contraction of the credit part of the circulation, must have had an immediate effect in depressing prices to the level from which they had risen. Whereas from the beginning of July, 1836, when the Bank raised the rate of discount, till nearly the close of the year, being an interval of extraordinary pressure on the money market, and of contraction of credit, there was no great or rapid fall, even of those articles which had attained scarcity prices, and certainly no greater fall than the additional actual and approaching supplies warranted; and none but the articles which had risen in consequence of deficient supplies, or, in other words, of scarcity, and which therefore naturally fell when the deficiency was about being made up, experienced any fall.

Indeed, it must be within the recollection of most mercantile men, as it is distinctly within my own, that in the summer, and till a late period in the autumn of 1836, it was a common topic of remark, accompanied by an expression of surprise, that, seeing the great and increasing pressure on the money market, and the vague apprehension then prevalent of coming mischief, there was so little pressure on the markets for produce, some being actually rising, and that there was thus far so little of commercial discredit or failure. The explanation that then presented itself was, that the stocks of goods on hand were still very moderate, while the demand from the manufacturers was going on at the accustomed rate; and that there

was no ground for commercial discredit, because there had been no such fall of prices as to entail heavy losses. A large proportion, the largest in amount, did not decline at all, while some of the most considerable, corn for instance, rose progressively in price through the whole of the pressure in the money market, from July to December, 1836. This circumstance is the more to be observed, because by some persons who have treated of events connected with the pressure on the money market in the last six months of 1836, while denying that the regulation of the Bank issues had any influence, the mere rise in the rate of discount is supposed to have caused a general fall of prices; and by other persons the fall of prices, although admitted not to have been general, is ascribed to a contraction of the Bank issues.

But, although so little if any of the variations of the prices of produce before December, 1836, can be traced to the influence of the circulation, the extreme depression which occurred in the markets for some important articles, in the interval between the commencement and the autumn of 1837, may be considered as having been influenced in some degree directly, but in a greater degree indirectly, by the circulation and the state of the money market.

The high prices in 1835 and 1836, of cotton, silk, and other raw materials, and the prevailing opinion that the supplies from existing sources could not keep pace with the rate of consumption, unless at permanently higher prices, held out strong inducements to bring forward the utmost quantities obtainable. And such being the strength of the motives for making every effort to bring forward greatly increased supplies, the low rate of interest, and the facilities of credit in this country, allowed of higher prices being paid abroad, and of conse-

quently bringing forward larger than the usual quantities.

It was the falling due in 1837 of a great part of the bills drawn, upon the large credits against shipments made, or to be made, which contributed to the commercial embarrassments that marked the commencement of that year; and the forced sales required to meet those engagements, in the contracted state of the circulation and of credit which then existed, would naturally create an extreme depression. This was the case especially with cottons and silks. And as the demand for manufactured goods for shipments to America, under the influence of the overtrading which prevailed *there*, contributed to the rise of prices *here*, in 1836, so the suspension or great abatement of that demand operated necessarily to a considerable extent in depressing the prices of the raw materials* of the manufactured goods calculated for the American markets in 1837.

Thus, the facilities of the money market in 1835–6 may be considered as having contributed to swell the importations of some particular articles in 1836–7, at higher prices than would otherwise have been paid, while the subsequent inevitable pressure on the money market entailed the necessity of sales of the increased quantities of those articles at greatly reduced prices.

To this extent, therefore, the variations in the state of the circulation, and of the money market, may be considered as having operated upon the prices of some particular descriptions of produce. But it is not in this limited sense, which amounts

* The metals participated in the depression from this cause, as some part of the previous rise had been owing to the demand for the United States. This applies particularly to iron, the orders for railway bars for America being then suspended, or greatly reduced; but the fall was inconsiderable compared with the previous rise.

to little more than the supposition of an indirect and partial influence on markets, that the effects of variations in the state of the circulation, and of the money market, are commonly supposed to have operated. The increase of the circulation, and the low rate of interest, are supposed to have operated *directly*, independent of other grounds, in affording *motives*, as well as *means*, for raising prices, for the rise of which there was no other cause; as, on the other hand, that the mere circumstance of a contraction of the circulation, and a pressure on the money market, formed a sufficient ground for a fall of prices, without any reference to the circumstances peculiar to the article. Of any *direct* or *general* influence of this kind by the currency on the variations of markets for produce, in the period under consideration, there is not, I will venture to say, as the result of the most minute investigation, any trace to be found, according to any obvious understanding of the mode in which an increase or diminution of the quantity of money is considered to operate.*

* The error, for such I conceive it to be, of the prevailing opinion, which ascribes to the occasional great variations in the amount of the circulation, and in the state of credit, a direct operation on *general prices*, arises from not distinguishing between those alterations in the quantity of money which — as in the case of a permanent increase or diminution in the produce of the mines, or in the case of an altered distribution of the precious metals according to certain laws, or in the case of a compulsory paper money issued by Government — enter into all the channels of circulation, and act directly upon all objects of exchange; from those alterations in the quantity of money which are the consequence of the varying balance of trade, and of the disturbing causes which operate on the markets for particular descriptions of produce, and on particular branches of trade, and on the money market. The movements of the precious metals for the mere purpose of the adjustment of international balances, may occasionally be on an extensive scale without affecting the channels of circulation, or acting therefore upon the prices of commodities and labour. And so, likewise, of the variations in the amount of paper money issued on terminable securities: it de-

There is, however, a point of view in which, by a very strained construction, the state of the circulation, and that of the money market, but more properly speaking the state of credit in this country, may be considered as having operated in raising, or rather as having contributed to raise, the prices of raw materials in this country in 1835, and in the commencement of 1836.

Among the concurrent causes of the demand which existed at that time for our manufactures, were the orders from the United States of America. As those orders were transmitted through the medium of first-rate London and Liverpool houses, with confirmed credits, the manufacturers proceeded in the execution of those orders on the best grounds possible. The employment thus given to the manufacturers was necessarily the occasion of demand for the raw materials; and such was the extent of that demand, that, as we have seen, it outran the usual supply, and occasioned the rise of prices, which was not greater than the reduction of stocks justified. The event, however, has shown, that the orders from America proceeded upon an exaggerated anticipation of consumption, and that the importers, in acting upon that exaggerated anticipation, operated on

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pends upon the circumstances under which the issues are made, whether they enter into circulation at all, and whether they do not merely add to the deposits in the hands of bankers, or of the Bank of England. Or, if they enter into the circulation, they may be confined to the markets for securities, or they may enter partially into some markets for produce, or some branches of trade, which, from circumstances specially affecting them, require and call forth an increased amount of circulating medium. But in none of these cases would the increased amount necessarily affect *general* prices.

It may also here be observed that variations in the balance of foreign payments, and consequently the exchanges, are liable to be influenced by the rate of interest and the state of credit, as well as by the prices of commodities and the state of trade.

credit to an extent much beyond the due proportion to their capital. But speculative operations on credit, beyond the due proportion to capital, so that, in the event of the anticipation not being realised, the operators are unable to fulfil their engagements, are of the very essence of overtrading; and overtrading, in this sense, has been exemplified on an extraordinary scale, in the state of things in America, in the two years preceding the last. The overtrading in imports into the United States, which contributed to the demand for our manufactures, was, doubtless, ministered to by the unbounded credit which was given, by the eminent houses in that branch of trade in this country, to the importers abroad. And, as it was the extraordinary facility of the money market, in other words, the low rate of interest, and the reliance on its continuance, which induced the granting of such an extent of credit from this side, it may be contended that the state of the money market in 1835 contributed to raise prices.*

This, however, is a refinement, in bringing the state of the currency to bear upon the elevation of prices, which, if admitted, would only introduce more confusion of ideas than already prevails on the subject. The overtrading in America, doubtless, could not have gone to the extent which it did without the credit given from this side; but the inducements to give the credit, and the apparent grounds for reliance on a continuance of the low rate of interest, and of the state of confidence which prevailed here, might equally have existed in a perfectly unvaried amount of the currency, as

* To some extent the same reasoning will apply to orders received from other parts of the world for manufactures from this country in 1835 and 1836; and there was room for suspicion at the time that some part of the unexampled demand for our manufactures might be speculative, although unconnected with speculation on this side in the usual sense of the word.

indicated by the issues of Bank of England and country bank notes; and the charge against the Bank, for adding to its securities in violation of its rule in the autumn of 1835, is not so much that it was the means of adding to the amount of the currency, which, in point of fact, it did not, or only in the most trifling degree, but, that, by a violent effort, and a departure from its custom, in lending a large sum to the money dealers, below the rate to the public, it forcibly caused a temporary reduction of the rate of interest, thus facilitating and promoting those credits precisely at the time when an increase of the rate of interest, and a contraction of the circulation, were specially indicated.

But, although, as regards the markets for goods, there is not a trace of any *direct* influence of the amount of the currency, or of the rate of interest, on the rise of prices of produce in 1835-6, the case, as relates to the share markets, is different; both the inducement to adventure, and the means of investment in joint-stock companies, are alike promoted, by a low, and above all, by a falling rate of interest*; and there is, accordingly, every reason to believe that the low rate of interest in 1834 and 1835, and the reliance upon its continuance, with a vague expectation of a further fall, such reliance and expectation being countenanced by the operations of the Bank of England, in the re-issue of what they call their extra deposits, most powerfully contributed to extend,

* The present state of excitement in the market for shares at Paris, furnishes a proof that an almost purely metallic currency is not a sufficient preservative from occasional extravagance of speculation. The rate of interest is, indeed, very low there; but so it has been before, without giving rise to the manifestation of any spirit of speculation. At the same time it is to be observed that a moderate rate of interest, or, at all events, an easy state of the money market, and of credit, is essential to the extensive prevalence of such a speculative mania.

although they may not have originated, the system of joint-stock companies, and, more especially, of joint-stock banks. At the same time, with reference to the joint-stock banks, and such of the other joint-stock companies as have survived the pressure on the money market and the shock to credit of last year, and whose shares at this time, when greater sobriety and caution prevail, are saleable at a premium, the investments in them may fairly be considered to have been originally justified, and to be proceeding on safe grounds.

Upon the whole, looking back to the two past years, the disturbance of credit and of prices, although remarkable in some of its features, has been much less than has been witnessed on several former instances of transition from an undue extension of credit to a commercial revulsion. On the recent occasion, it seems to have been very much confined to the branch of trade, a very important one indeed, in which the most notorious overtrading prevailed. And it is a tribute to the general soundness of the commerce and manufactures of the country, that so violent a derangement should have occurred, in that extensive branch, with so little apparent mischief to any other of the great branches of commerce. And, as to prices, with the exception of cotton, silk, and tea, which were more or less the clear result of overtrading, there has been no extraordinary fluctuation; none, indeed, beyond those which are incidental to the ordinary course of markets.

Before closing this view of the state of the circulation, it may be right to advert to the position of the Bank, and to the state of the country bank issues, at the close of 1837.

On the 14th of December last, the position of the Bank of England was,

Circulation	£17,998,000	Securities	£22,727,000
Deposits	10,195,000	Bullion	8,172,000

This great diminution of securities, while there had been so great an influx of bullion, has been the occasion of animadversion, on the manifest inconsistency of the conduct of the Bank, with the rules which the directors profess to act upon, of keeping their securities uniform.

Mr. Loyd, who is deservedly looked up to, in discussions on this subject, uniting, as he does, clear views of general principles with great talent of exposition, and with most extensive knowledge of the business of banking, published in February, 1837, "Reflections suggested by Mr. Horsley Palmer's Pamphlet," containing strong animadversions on the conduct of the Bank, in having, in violation of its rules, extended its securities, in the autumn and winter of 1835–6, and in having continued an excess of securities, beyond its rule, in the face of a rapidly diminishing quantity of bullion. In his remarks, urged with great point and effect, on the inconsistency and the impolicy of the conduct of the Bank on that occasion, I fully concur.

In a recent publication, by Mr. Loyd, entitled "Further Reflections," &c., the conduct of the Bank is again remarked upon, for the discrepancy of its position with that which, according to the principle announced by the directors, it ought to exhibit.

Mr. Loyd expresses great objections to the rule itself, and further animadverts on the inconsistency of the Bank, with reference to it, in the following terms, page 18.: —

"We are not ourselves disposed to lay too much stress upon this rule, inasmuch as we conceive that steadiness in the amount of the securities is a principle applicable to the management of currency only, and wholly inapplicable to the conduct of banking operations in any form. When it is applied to the combined operations of the Bank in her double capacity, we conceive that it is impracticable, and the published accounts seem to verify this opinion.

"We will, therefore, pass on to the next and far more important consideration to which an examination of the foregoing table will necessarily draw our attention; that of the relation between the fluctuations in the amount of circulation and those in the amount of bullion.

"It will be observed that during the year 1837 the amount of bullion has been steadily increasing, being at the end of the year double the amount at which it stood at the beginning of it. Now it is clear that had the circulation been metallic, it would, during this time, have increased to the extent to which the bullion in the Bank has been augmented, *i. e.* nearly four millions, and, consequently, if the paper circulation be made to vary as a metallic circulation would have varied, it will during this time have undergone an increase of nearly four millions. But upon turning to the column of circulation, we find that it stands now at nearly the same amount at which it stood when the bullion was at the lowest point; and that it has actually undergone a large reduction during the last three months concomitantly with a large increase of bullion.

"But the Bank laid down other rules than this for its guidance, and it has been contended that the Legislature and the public gave an implied acquiescence in those rules. Let us, then, try the proceedings of the Bank by them.

"One of these was steadiness in the amount of the securities, upon which we have already made all the remarks which it seems to require.

"The other rule was, that the fluctuations in the amount of bullion should be met by a corresponding fluctuation in the aggregate amount of circulation and deposits. Against the soundness of this rule we urged, on a former occasion, what appeared to us to be conclusive objections; but if the conduct of the Bank during the past year be tried by this test, the condemnation of it will even be more conclusive than when tried by the rule for which we have contended.

"In March, 1837, it was maintained in Mr. Palmer's Reply (p. 7.) 'that the Bank has acted up to the principle declared in the year 1832, before the Committee upon the Bank Charter;' that principle being that the joint liabilities of notes and deposits were to vary as the amount of bullion. Let us, therefore, compare the account rendered by the Bank at that time with the account last published by her.

March 7.

Circulation -	£18,178,000	Bullion -	£4,048,000
Deposits -	13,260,000		
Joint Liabilities	£31,438,000		

December 14.

Circulation	-	£17,998,000	Bullion	-	£8,172,000
Deposits	-	10,196,000			
		£28,194,000			

"By this statement it appears that the bullion has increased 4,124,000*l.*, whilst during the same period the joint liabilities have diminished, not increased, 3,244,000*l.* Therefore it is clear that the joint liabilities have not varied as the bullion has varied, and consequently the rule laid down by the Bank has not been observed.

"It is equally clear by the table that the circulation has not varied as the bullion, and therefore the rule contended for by us has not been observed.

"Let us now contrast the amount of securities at these two periods.

March 7.	Securities	-	£30,579,000
Dec. 14.	Ditto	-	22,727,000
	Decrease of Securities		£ 7,852,000

"Here we find a very large diminution in the amount of securities; what amount the Bank will contend ought to be struck out of the account as arising out of deposits of an unusual and extraordinary character it is impossible for us to say; but it is hardly possible to believe that so great a difference in the amount of securities can be satisfactorily explained on such grounds."

Before charging the Bank with inconsistency in having reduced its liabilities and securities, and allowed the influx of bullion to take place, without having made an addition to the circulation equal to the addition to its treasure, something definite should be stated as to the amount of bullion which the Bank ought to have in view to possess, in order to be in a safe and satisfactory position. The desideratum with this view has been held by the Bank directors to be about one third of its liabilities. This, taking the average of the liabilities for some years past, would make the desired amount of treasure about ten millions; and, as far as the eventful experience of the last fourteen years, namely, since 1824, can serve as a guide for judg-

ment on this point, there appear to be good grounds for believing that *not less than ten millions* can ever be considered as a safe position of its treasure, seeing the sudden calls to which it is liable.

As long as the Bank of England holds the situation which it does, its coffers must of necessity serve as the resource for all the other banks in the kingdom, to supply any casual demand for gold beyond their ordinary current purposes. And it is upon the treasure of the Bank of England that all the demand for export operates, when either the balance of trade, or foreign financial operations, or a temporary surcharge of our own circulation, entail a sudden call for payments abroad, to an unusual extent, which can be supplied only by the transmission of bullion.

Just before the drain on its coffers in the autumn of 1830 was first felt, the treasure amounted to 11,150,480*l.*, namely, on the 31st August of that year. And the Bank, acting consistently with its assumed rule of keeping its securities even, and remaining otherwise in a perfectly passive state, that is, without an effort, and without any sensible disturbance of the money market, surmounted the drain, which was of rather a formidable character, having carried off from the Bank nearly seven millions of bullion in less than eighteen months. Now, if the treasure at the commencement of the drain had been only half the amount, or even between seven and eight millions, very violent measures in the way of reduction of securities, and contraction of the issues, must have been resorted to, attended by a great disturbance of the money market. On the other hand, if the Bank had not arrested the influx of bullion in the spring of 1836, or had taken effectual measures while the tendency was in that direction to raise its bullion to one third of its liabilities, it would not later in the year have

found itself, as it did, in the humiliating predicament of being obliged to support the Northern and Central Bank, as a measure of self-preservation, against its own interests, and that of the public. It is not therefore very consistent, on the part of those who blamed the Bank for having extended its securities in the autumn of 1835, to reproach it for not extending its securities, and thus stopping the influx of bullion, in the autumn of 1837, before the amount had reached to the desideratum of one third of its liabilities.

And the propriety of the conduct of the Bank, in being passive under the influx of bullion till it turned the amount of ten millions, is becoming manifest in the security which is now felt in facing the rising demand for gold for shipment to the United States.

It has been charged against the country banks, that it is their tendency, while speculation is abroad and prices rising, to over issue; and that in periods of stagnation and distress, their tendency is the opposite, namely, suddenly and unduly to contract their issues.* This may be generally true; but, on the recent occasion, there seems to have been no such violence of contraction, as far as relates to the issues. We have already seen that, taking the aggregate of the country bank circulation, there was no such enlargement, either in point of time or

* Mr. Norman observes, p. 90., "It is necessary to call the reader's particular attention to an evil as completely inherent in the present system of paper issues in this country as the tendency to over issues, when a spirit of speculation is abroad, prices rising, and the rate of interest high; viz. a directly opposite tendency, a disposition on the part of all banks to contract their circulation in periods of stagnation, distress, and quiescence, in a greater degree than could occur with a metallic currency, or paper regulated on a metallic basis. The mischief abovementioned has been often alluded to in this pamphlet, but has not been duly appreciated by the public; yet its effects are, perhaps, as disastrous, except that they do not involve insolvency on the part of issuers, as its opposite."

of amount, as to justify the imputation of having counteracted any efforts of the Bank of England, if such had been made by it, to reduce the circulation after the drain of its treasure had commenced; for that, when the necessity for some contraction had become urgent, namely, in June, 1836, a reduction of the aggregate of the country circulation had taken place in the quarter following, the amount having been less by nearly half a million on the 24th September than on the 25th June; and that in the quarter ending the 31st December, 1836, when the exchanges no longer caused any demand for bullion for export, and when the pressure on the money market had become very severe, the aggregate of the country bank issues was somewhat enlarged compared with the preceding quarter. Thus far, therefore, there appears to have been no ground for the charge. In 1837 there was a reduction of the aggregate issues; but considering the great fall of the share markets, and of the cotton markets, in the great manufacturing districts, where the prices had in the spring and summer of 1836 been most elevated, it may be matter of surprise that the reduction of the country circulation was not greater in the early part of 1837 than it proved to be. For as the very extensive dealings in shares in Lancashire, and in some of the other great manufacturing districts, besides the extended transactions at advanced prices, for cotton, in 1835 and 1836, entailed as a necessary consequence an extension* of paper

* If the currency had been purely metallic, there must, under the circumstances, such as they existed in the great manufacturing districts, but more especially in Lancashire, in the autumn of 1835, and the spring of 1836, have been a considerable increase of the circulation in those districts. The rise of the prices of goods was from an external demand; and the large investments in shares were from real local capital. If, therefore, the local banks had not supplied the increased amount of paper and credit requisite to circulate the goods at the advanced

and credit; so a fall in the markets for shares, and for cottons, in the spring of 1837, necessarily caused a reduction of paper and credit. The quarterly returns of country bank issues were,

	Private.	Joint-stock.	Total.
Sept. 24, 1836	£7,765,000	£3,969,000	£11,784,000
April 1, 1837	7,276,000	3,755,000	11,031,000

And it is to be observed, that in that interval the circulation of the Northern and Central Bank had been withdrawn, amounting to between 300,000*l.* and 400,000*l.*, which had been replaced by notes of the Bank of England; so that the aggregate of the issues of the Bank of England, and of the English country banks, on the average of the quarter ending in April, 1837, was less by only about 400,000*l.*, than it had been in the quarter ending in September, 1836. A difference to this extent, which is often exceeded by the variations of daily payments, cannot, it is to be presumed, be magnified, by the most violent exaggeration of the currency theory, into such importance as to be supposed by any possibility to have had any influence on prices; more especially as the diminution, trifling as it was, *followed*, instead of *preceding*, the fall of prices

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prices, and the transfers of real capital embarked in the railways and other of the more solid joint-stock undertakings, the deficiency must have been supplied by the Bank of England, or from the metropolitan circulation. The contraction, in that case, of the latter, would probably have raised the exchange; and the influx of gold would have been somewhat greater than it proved to be. It may be supposed that no rise of produce and of shares could have occurred in Lancashire without the transmission of cotton, &c., and of shares, from the metropolis, or from other parts thither. But the Lancashire markets were the absorbing and regulating markets for those descriptions of goods, and for shares. In fact, the goods could hardly be said to be interchangeable at all with the metropolis, in the sense in which they would be supposed to restore the former proportion of circulating medium. And the prices of railway shares, in the London market were kept up in some instances mainly by the demand from Lancashire.

which had occurred in that interval. Nor can the difference in the quantity of money, as depending on the amount of bank notes, be, by any much nearer approach to possibility, considered as having been the cause of the derangement of credit which occurred in that interval. The further fall of prices which occurred in the summer of 1837 necessarily *caused* a further reduction of the country circulation, which seems then to have reached its lowest point; the aggregate issues in the quarter ending 1st October having been 10,142,049*l.*

By the usual operation of increased confidence, and improving markets, the country circulation experienced a moderate enlargement towards the close of 1837, having risen, on the 30th December, to 10,870,135*l.* And, in order to show how little there was of variation in the quantity of money, as exhibited in the aggregate issues of the Bank of England and the English country banks, to account for the great variations of credit and prices, it may be sufficient to state the comparative amount, according to the Gazette returns, of the quarterly averages, at the close of each of the four last years, namely, of

1834, - -	£28,963,828
1835, - -	28,455,414
1836, - -	29,372,697
1837, - -	28,877,135

It is quite impossible, looking at these figures (and the same, or nearly the same, result would be exhibited by the yearly averages), without being struck by the utter inadequateness in point of amount, besides the discrepancy in point of time, of these very small variations, to account for the fluctuations of prices, divergent as these were, and for the contrast between the extreme of confidence during the first two thirds of the period, and the great derangement of credit in the subsequent part of that period.

A table, exhibited by Mr. Norman, of the issues, not only of the English but also of Irish bank notes, affords, if possible, a stronger presumption of the negative of any influence from mere variation of the amount of Bank notes on the fluctuations of prices, and the vicissitudes of commerce, which have been experienced in the last three or four years. Thus, for instance: —

	Average circulation. — Bank of England.	ENGLAND. Joint-stock and private banks.	IRELAND. Average amount of notes half-yearly, on which composition is paid by joint-stock banks; and actual circulation. — Bank of Ireland.	TOTAL.
	£	£	£	£
June 28, 1834.	18,689,000	10,518,000	5,036,000	34,243,000
Dec. 28, „	17,070,000	10,659,000	5,250,000	32,979,000
Dec. 26, 1835.	16,564,000	11,134,000	5,334,000	33,032,000
Dec. 13, 1836.	17,361,000	12,011,000	5,864,000	35,265,000

I have not the return for Ireland in 1837, but that is not material; the inferences from the above being sufficient. For here we have, in June, 1834, when there was a prevalence of perfect quiet in the markets for produce of every kind, a total of issues, Scotland excepted, amounting to 34,243,000*l.*; while in the year and a half following, when there was a tendency in most articles (the agricultural produce of the United Kingdom excepted) to rise in price, the aggregate circulation appears to have been less by upwards of 1,200,000*l.* How then is it possible to assign variations in the quantity of money, indicated by those issues, as the causes that originated, or even promoted, the fluctuations of prices, and the viscissitudes of commerce, seeing that the main impulse to the rise of such articles as experienced the greatest advance of prices (corn excepted), and to the great extension of credit, originated and was in progressive operation for several months anterior to the

close of 1835; the phenomena both of prices and of credit, in the early part of 1836, having been but the development of the causes previously in operation; while, with a marked increase in the aggregate amount in the quarter ending in December, 1836, there was a severe pressure on the money market, accompanied by a fall of prices of those articles which had been previously raised by an exaggerated demand in particular branches of commerce that had been obviously under the influence of extensive overtrading?

The truth is, that the rise of prices and the tendency to overtrading were partial, and were allowed to proceed to the length that they did by the general confidence and the low rate of interest which then prevailed, and which admitted of an expansion of the medium of credit to the full extent of the force of opinion acting in any particular direction; or, in other words, gave full scope to the spirit of speculation, and the tendency to overtrading which existed in the share markets, and in the trade with the United States, and in a smaller degree in the China trade. That the operations of the joint-stock banks, by an undue use of their deposits*, and of their credit,

* Col. Torrens, in his "Letter to Lord Melbourne," builds a very ingenious argument on the hypothesis, "That deposits with solvent banks form a component part of the general medium of exchange, and perform the functions of money just as effectually as the coin and bank notes actually in circulation; and that the practice of merchants and others in keeping their cash with bankers, and the practice of bankers in employing the cash thus placed in their hands, have the effect of increasing the general medium of exchange by the amount of that portion of the cash of their customers which bankers may find it prudent to employ." In elucidating these positions, and in drawing some extraordinary conclusions from them, Col. Torrens refers, in support of some of his views, to a paper which had been communicated to me by Mr. Pennington, and which was appended to my letter to Lord Grenville, published some years ago. In that paper, Mr. Pennington took occasion to show that the employment by the London bankers of a portion,

in the great extension of their discounts, and of their advances on mere personal security, allowed of a wider and longer range to the speculations in shares, and to the overtrading which prevailed to such an extravagant length in the American trade, cannot be doubted. But the joint-stock banks could not have proceeded to the length that they did, in the way of discounts and book credits, had it not been that the Bank of England, by its large loans to the money dealers, in the autumn of 1835, afforded the resource of rediscount to an enormous amount. The money dealers acted strictly within their vocation in taking the money offered by the Bank at a low interest, and in simultaneously lending it upon what then, according to all human means of judging, could not but be deemed undoubted and readily convertible securities, at the moderate additional interest which constitutes the profit of their business. And if blame attaches to either or both of those parties, it must apply in a still greater degree to the Bank of England, which, notwithstanding its view of the existing tendency to a dangerous excess of credit, contributed in an extraordinary degree, and by an unusual mode, to aggravate that tendency, if not to create that very

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greater or less, of their deposits in discounts and in advances by book credits, operated on the circulation in a manner analogous to the issues of the promissory notes of country bankers. On some of the points connected with this statement, Col. Torrens appears to have misconceived the meaning of Mr. Pennington, who has, in consequence, addressed a letter to me, explanatory of his views on those points, taking occasion to make some further observations on the effect of deposits, and the manner and extent of the employment of them, on the amount and value of the currency. As these are points of considerable importance, and as Mr. Pennington takes a very scientific view of them, I, with his permission, insert his letter (Appendix, p. 369.), and recommend it strongly to the attention of the reader.

excess which it apprehended; instead of adopting the very opposite course, the means of which so opportunely presented themselves, of simply not re-issuing the large casual addition to its deposits.

According to this view, if it be correct, the principal error of the Bank, that error to which some, although perhaps not the greater part, of the mischief in 1836–7 may be ascribed, not indeed in its origin, but to some extent in its progress, is not to its management of its issues, but of its deposits, and of the securities in which those deposits were invested. And it does not appear very clearly that, if the footing of the currency had been that of a circulation of notes exactly varying as a metallic currency would do, or if the business of the Bank had been strictly separated into two departments, the one confined to the issue of notes against gold, or of gold against notes, and the other allotted to its general banking business, the disturbance of trade and of credit would have been less than it was. Indeed, it would depend upon what might be considered as the proper proportions of securities and bullion to be held against the notes, whether it would not have been greater. If, for instance, one third of bullion to the circulation were deemed sufficient then, as in the quarter ending in October, 1835, the circulation was about eighteen millions, and the stock of bullion about six millions, the further influx of bullion to the extent of nearly two millions, which took place in the following six months, would have been attended with an increase of the circulation to that extent. It is probable, however, that the further issue of paper against gold would have prevented the influx of a part of the additional two millions. But still there would have been some addition to the circulation; and such addition would have gone to swell the tendency to excess which already existed in the spring of 1836. Now, all the phe-

nomena of excitement, and the extent of foreign engagements which constituted the overtrading, had at that time reached their utmost development. The conclusion therefore is, that, as far as relates to the state of things as it existed in the spring of 1836, it would not have been prevented by a circulation varying as a metallic one, because, at any rate, there would have been no reason for a diminution of bank notes while the stock of bullion was rising to about eight millions; and the Bank would equally have had the motives which before existed to re-issue its extra deposits; while those motives would have been strengthened if the influx of bullion beyond six millions had been attended with an increase of circulation, and consequently, perhaps, of deposits.

The mischief which lay in the excitement and overtrading would, therefore, obviously have occurred, at least equally under a metallic variation. And the only question in determining how far a variation strictly upon the metallic basis, such as has been recommended, would have been preferable in its operation to the system acted upon by the Bank is, whether a more abrupt termination of the excitement and overtrading was desirable; for more abrupt the termination would doubtless have been by a strictly metallic basis, inasmuch as, upon the occurrence of the drain, the reduction of bank notes would have been immediate. And suppose that, by the coincident suppression of bank paper, the drain had gone only to half the extent which it did, namely, to two millions only, instead of four millions, the pressure on the money market, severe as it was, without any reduction of Bank of England notes, would have been considerably aggravated by a reduction of at least two millions. There are, doubtless, some points of view in which a more abrupt termination of the excitement and overtrading, compared with the more lingering one

which occurred, might have been beneficial on the whole; and the principal criticisms on the conduct of the Bank have proceeded, on the ground that the drain of bullion should have been met by a corresponding contraction of its paper. But the main charge against the system pursued by the Bank has been that of its having been conducive to the great fluctuations of trade and of prices. Now, it appears that, under a more correct system of issue, *if the use of its deposits by the Bank had been the same*, the fluctuations would have been as great, with only the difference of a more speedy termination of them.

Whether the administration of a paper currency would be conducted more beneficially for the public, upon the footing of a variation in amount exactly the same as if the basis were strictly metallic, than upon the principle professed by the Bank, and upon which it was conducted between 1827 and 1833, of keeping the securities even (subject, of course, to a periodical revision of the proper amount to be held), and allowing the public to act upon the other elements of the position of the Bank, is a question upon which it would seem to savour of presumption to entertain a doubt, seeing such an array as is presented of justly distinguished authorities, namely, Mr. Loyd, Mr. Norman, Mr. Samson Ricardo, and Colonel Torrens, who express themselves unhesitatingly in favour of the former. I cannot, however, help thinking that there are several considerations which might be allowed to weigh in a preference of the latter, *if there were sufficient security for its being firmly and consistently acted upon.* But the deviation from that principle in the autumn of 1835, and the strange reasoning in justification of it, founded upon the arbitrary distinction of the nature of the deposits, and the vacillating and inconsistent course subsequently pur-

sued, have naturally created doubts among the friends of the system, how far the maintenance of it can, under the management on its present footing, be relied upon; more especially as the old and, as it was to be hoped, the obsolete, doctrine has recently been revived and insisted upon, that the Bank is bound in the regulation of its securities and its issues to attend to the accommodation of trade and the support of credit. Under the influence of this doctrine, there can be no security for the maintenance of a sound administration of the currency. There is no degree or extent of deviation from principle to which such doctrine may not serve as a cloak. And either the bias of private sympathies, or the notion, sincere, though ill-founded, of being called upon to interfere for the accommodation of trade or the support of credit, may, under a variety of contingencies, compromise the principle, which ought to be held sacred, of the convertibility of the paper. There is, moreover, the constant danger lest the object of securing a certain dividend to the proprietors should induce a greater effort to extend the securities than a clear view to the maintenance of a sound state of the currency would justify. This object may not have entered into the motives for the employment of the extra deposits; but there is no security against an undue influence from such object under the present system.

SECTION 7.—*Summary of the preceding Survey.*

1. The fall of the prices of corn, from the harvest of 1832 to the close of 1835, was the necessary consequence of a succession of abundant crops, the produce of which appears to have greatly exceeded a largely increased consumption.

2. The rise of the price of wheat in the spring of 1836 was the consequence of reduced stocks on hand, of reports of a diminished breadth of land sown with it, and of unfavourable appearances on the ground.

3. The prices of corn, but more especially of wheat, continued to advance throughout the great pressure of the money market in the last six months of 1836, and, after an intermediate inconsiderable depression, rose again in the summer of 1837, during the greatest commercial discredit and distress, the price of wheat having been at that time nearly 70 per cent. higher than in December, 1835.

4. The prices of several leading articles of consumption, and the raw materials of some of the principal manufactures, and the metals, rose in the interval from 1833 to the close of 1835, while the price of wheat was falling very considerably.

5. The rise of prices of produce in the spring of 1836 applied to a very large proportion of commodities, and included agricultural produce; but in few instances did the advance of prices go beyond the degree which was fully warranted by the relative reduction of stock.

6. There was no *general* fall of prices in the last six months of 1836; nor, in the case of such articles as did fall before December of that year, was the depression greater than the relative increase of stock and approaching supplies accounted for and justified.

7. The extreme fall in the markets for produce, between November, 1836, and July, 1837, was confined to such articles as had been the subject of overtrading, chiefly in the American, and partially in the China trade.

8. Both in the rise and in the fall of markets for produce, in the interval from 1833 to 1837, the circumstances peculiar to each article account

for the variations of price, without supposing any direct influence on general prices from variations in the quantity of money.

9. The aggregate issues of the Bank of England, and the Bank of Ireland, and of the English and Irish country banks, did not so vary in amount or in order of time between 1833 and 1837, as to justify the assignment of those variations of the amount of issues as having caused the fluctuations of prices and the vicissitudes of credit which occurred in that interval.

10. Although there is no trace of any direct influence of the state of the circulation in elevating the markets for produce in this country, there is every reason to believe that the low rate of interest and the facilities of the money market induced the houses in the American trade to grant credits and to make shipments uncovered to a vast amount; thus indirectly causing an increased demand for manufactures, and consequently an increased price, as long as the demand lasted, for the raw materials of those manufactures.

11. The Bank of England, by enlarging its securities in the autumn of 1835, in violation of the principle of management announced by the directors in 1832, and by thus forcibly reducing or keeping down the rate of interest, promoted the formation and extension of joint-stock banks, and encouraged and facilitated the system of discounts and re-discounts, and advances on personal securities, which was carried on by those banks to a mischievous extent. That measure, namely, of re-issuing its extra deposits, also greatly favoured the overtrading in America, and in the American branch of trade in this country.

12. The enlargement by the Bank of its securities favoured the views of the American government in the alteration of the mint regulations of the United States, as it favoured also the financial

operations of the United States Bank in negotiating a loan in this country; both measures tending to a demand for gold from this country to America, at a time when it was peculiarly incumbent upon the Bank to be provided with an amount of treasure in full proportion to its liabilities.

13. The resistance offered by the Bank to the influx of bullion in 1835–6, occasioned the insufficiency of its treasure to meet the exigencies that afterwards arose and reduced the directors to the predicament of being obliged in self-defence to support the Northern and Central Bank against the interests of their proprietors and of the public.

14. The revulsion of credit, and the fall of prices in 1836–7, in the branches of trade to which they were confined, were the necessary consequence of the previous undue extension of credit and exaggeration of demand; and there was no derangement of credit or important fall of prices in other branches of trade which had not been chargeable or connected with an undue extension of credit, or, in other words, with overtrading.*

* If the proofs already adduced of the absence of direct influence from the state of the money market on the prices of produce were not sufficient, a fresh and decisive one might be adduced in the present state (April, 1838,) of the markets for cotton, silk, indigo, and some other important articles which are now lower than they were in the autumn of 1837, and are dull and drooping, notwithstanding an increase of the circulation and a greatly reduced rate of interest. If either an increase of Bank notes or the utmost facility of raising money on good security, are of themselves sufficient to induce persons to borrow with a view to buy or hold goods, how happens it that these goods do not experience a speculative advance, or at least are not prevented from falling? And again, while cotton, silk, and colonial produce have of late been declining, the prices of corn have been rising.

CHAPTER XI.

GENERAL VIEW OF CONCLUSIONS TO BE DERIVED FROM THE PRECEDING HISTORICAL SKETCH OF PRICES; AND CONCLUDING REMARKS ON THE CURRENCY.

THE general conclusions to be derived from the detailed statements, which have been given of the principal circumstances that have affected the prices of each of the articles referred to, may be classed under two heads; the one embracing the period from 1793 to 1814, in which the principal phenomena of high prices occurred; the other, dating from 1814, and reaching to the present time, being an interval during which (with the exception of the high prices consequent on the great scarcity of 1816–17, which extended over Europe) a much lower range of prices has prevailed.

SECTION 1. — *General View of the Causes of the High Prices from* 1793 *to* 1814.

The relatively high prices of articles divested of taxation, and not the objects of immediate war expenditure, in the interval from 1793 to 1814, may be ascribed to the following general circumstances:—

1. The frequent recurrence of seasons of an unfavourable character, there having in that interval been no fewer than eleven* seasons in which the

* 1794 and 1795; 1799 and 1800; 1804; 1807 to 1812, inclusive.

general produce of corn, but more especially of wheat, was deficient. Of those seasons, some were of a desolating character, extending over the greater part of Europe; and, during the earlier part of the war, there were scarcities of corn also in the United States of America.

2. The destruction of a great source of supply of transatlantic produce by the revolution in St. Domingo, which rendered sugar and coffee, and most other West India produce, scarce and dear during the earlier part of the war.

3. Obstructions and prohibitions of export from the Continent of Europe, more especially during the latter years of the war, of articles of which, whether as raw materials of our manufactures, or naval stores, or food, we stood in urgent need.

4. The increased cost of importation, by higher freights and insurance incidental to a state of war generally, and aggravated in an extraordinary degree by the peculiar character of commercial hostility and exclusion which marked in so striking a manner the latter years of the war.

5. The difference of exchange, which in the last five years of the war averaged 20 per cent., thus adding so much to the cost of all imported productions, and which, as it diminished the cost of all our exportable produce by so much to the foreign consumer, renders the depression of price of the latter description of productions, between 1808 and 1812, in so far the more remarkable.

6. A higher rate of interest, in consequence of the absorption by the war loans of a considerable proportion of the savings of individuals; such higher rate of interest constituting an increased cost of production.

SECTION 2. — *General View of the Causes of the Decline and comparatively low Range of Prices from* 1814 *to* 1837.

The causes of the decline, and of the lower range of prices, which dates from 1814, and has continued (after an intermediate rise in consequence of the great scarcity of 1816–17, which extended over Europe) to the present time, may be classed under the following heads: —

1. A succession of more favourable seasons, there having been in the last twenty years, namely, from 1818 to the present time, only five seasons in which the produce of wheat was decidedly deficient*; and in none of them was the inclemency of the season, or the scarcity resulting therefrom, at all comparable to some of those which occurred during the war; nor was there any one of them that extended over Europe. This prevalence of favourable seasons, and the total exemption from such desolating seasons as 1816, and some previous ones, have developed the effects of an extended and improved cultivation in this country, and in many other parts of the commercial world.

2. The removal of obstacles from the several sources of foreign supply; a great extension of some of them; and the discovery of new ones.

3. A great reduction of the charges of importation, by the low freights and insurances incidental to a state of peace; and the improved, and cheaper, and more rapid internal communications.

4. A rise of the foreign exchanges, in consequence of the cessation of the great foreign war expenditure, and the consequent reduction of the cost of all imported commodities.

5. Improvements in machinery, in chemistry,

* 1823, and 1828 to 1831, both years included.

and in the arts and sciences generally, all tending to reduce the cost of production of numerous articles, or to provide cheaper substitutes.

6. A reduction of the general rate of interest, and a more extensive application of individual accumulations to reproduction at a diminished cost.

Section 3. — *Concluding Remarks.*

The causes which have thus been enumerated account for so large a proportion of the great fluctuations of prices, during the period embraced by this historical sketch, as to leave no ground for imputing to war-demand any influence, except in the case of articles which are the immediate objects of government expenditure, as naval and military stores, or to alterations in the system of our currency, any effect beyond the difference between paper and gold, such difference, if of any continuance, constituting, through the medium of the exchanges, an increased cost of production.

It is not only to the articles of produce specifically referred to in the preceding statements, that the explanation given of circumstances affecting the production and supply is intended in this remark to apply. There is not, as far as I have been able to discover, any single commodity, in the whole range of articles embraced in the most extensive list of prices, the variations of which do not admit of being distinctly accounted for by circumstances peculiar to it, in the relation of supply, actual or contingent, real or apprehended, to the ordinary rate of consumption, without supposing any influence from the Bank restriction beyond the degree in which the difference of exchange, which could not have existed but for the restriction, may be considered to have operated distinctly on the cost of production. And I have

endeavoured to show that, while there existed this ground to warrant the inference of the absence of any influence of the currency beyond the difference of exchange, or of the price of gold, in the great variations of markets, there was the strongest possible confirmation in the same conclusion, by a reference to the state of the circulation; for that, according to the historical view of it which has been presented, there is every reason to infer that there was no such alteration of the quantity of money, arising out of the manner in which the Bank issues were regulated, during and subsequent to the restriction, as to justify the inference of its having been an operative cause of the great variation of prices.

The whole tenour of the facts and reasonings adduced has been to establish the conclusion that the great alterations of prices originated, and mainly proceeded, from alterations in circumstances distinctly affecting the commodities, and not in the quantity of money, in relation to its functions, or in comparison of what, upon fair grounds of presumption, it might be supposed that it would have been, if there had been no restriction, but at the same time no pressure upon the exchanges by extraordinary foreign payments.

If the explanation of the circumstances which have distinctly affected the supply and consumption of commodities, be deemed insufficient to account for the whole of the variation of bullion prices, there would remain only a resort to the supposition that the variations in the quantity and uses of gold and silver have been on such a scale in the two periods, namely, such the increase of the quantity of the metals relatively to their uses, as to have sensibly diminished their value during the war and the restriction; and such the subsequent falling off as to have increased their value. And as there was, down to the time of the revolution in Spanish

America, in 1810, a considerable progressive increase, and, subsequent to that period, a great falling off, of the supplies from the mines of that country *, a specious ground is afforded for attributing to this cause a considerable influence on bullion prices. Very plausible theories have, accordingly, been constructed upon the assumed operation of this cause; and in two or three very ingenious publications, the whole of the great variations of prices have been ascribed to it.

If this hypothesis were better founded than it appears to be, it would not at all, as there has before been occasion to observe, affect the question of the effects of the Bank restriction and resumption; because, if the restriction had not existed, there must equally, according to this hypothesis, have been a rise of bullion prices during the war, and a fall subsequently; whereas the controversy upon the effects of Peel's bill turns upon the supposition, that the whole of the variation of bullion prices has been produced by alterations in the system of our currency.

The information respecting the production and the consumption of the precious metals, although considerable light has been thrown upon the subject by Mr. Jacob's valuable publication, is much too vague to admit of any conclusion being drawn from it as to any influence to be ascribed to alterations in their value upon prices. Considerable as the rate of increase was, before 1810, and great as has been the subsequent falling off, there is reason to doubt, whether, in the increase or the falling off, the magnitude of the mass upon which the difference of supply, with reference to the consumption within the periods in question, has operated, is not such as to render the variations of imperceptible effect upon general prices; taking into consideration

* See Jacob on the Precious Metals.

more especially the countervailing circumstances which have been noticed in the preliminary part of this work. And the inference against the supposition of any considerable effect, from such variations of the supplies from the mines, is rendered nearly conclusive by the manifold proofs which admit of being adduced of the sufficiency of the means of accounting for the variations of prices, without resort to any aid from a reference to any material alteration in the value of the metals.

In favour of this view of the insufficiency of the difference of the productiveness of the mines to account for the great variations of prices, I am enabled to quote the authority of Mr. M'Culloch, which, high as it deservedly is on topics of political economy generally, is more especially so on the point now in question; because his researches, for the purposes of his eminently and extensively useful Commercial Dictionary, have necessarily led him to a view of the principal circumstances affecting all the leading articles of commerce, with reference to the supply and consumption of them. The following passage is extracted from that Dictionary, under the head of "Precious Metals:" —

"*Influence of the diminished Productiveness of the Mines on Prices.* — It has been customary in this country to ascribe almost the whole fall that has taken place in the price of most commodities since the peace, to the diminished supply of bullion from the mines. But we doubt whether this circumstance has not been fully counterbalanced by others, and whether it has had any influence in the way now mentioned. The cessation of the drain to the East, even admitting that M. Humboldt has somewhat over-rated its amount, would of itself have gone far to counteract the decreased productiveness of the mines; but we have just seen that it has not merely ceased, but that we are, in fact, deriving considerable supplies from that very quarter. In addition to this, the greater security and tranquillity enjoyed on the Continent, since the peace, has not only checked that burying of money, formerly so prevalent, but has caused the bringing to light of a good many of the subterranean hoards. The institution of savings' banks, now so common every where, has also, no doubt, tended to prevent hoarding, and to bring a good deal of

coin into circulation, that would otherwise have been locked up. These circumstances, coupled with others that might be mentioned, such as the cessation of the demand for military chests, the greater employment of bills in mercantile transactions, &c., afford the best grounds for doubting whether the quantity of the precious metals annually applicable to the purposes of circulation be not as great at present, as in 1809 or 1810. It is further to be observed, that the falling off in the produce of the mines has been in silver only; and that the supply of gold, instead of being diminished during the last 10 years, has been *very materially increased:* and as gold is the standard of our currency, it is obviously false to affirm that its value has been increased from its being less abundant than formerly. It is contended, indeed, that in estimating the value of the precious metals, we cannot separate gold and silver; and that the fall that has taken place in the price of *all* commodities since 1815, proves that the value of money has sustained a corresponding advance. But the value of gold is in no way dependent upon, or connected with, the value of silver The exchangeable worth of each metal is wholly determined by the peculiar conditions under which it is supplied; and the circumstance of gold falling in value when silver is rising, is no more to be wondered at, than that lead should fall when iron rises, or conversely. Neither is it true that the fall in the value of commodities since 1815 has been universal. We admit it has been very general; but we venture to affirm that there is not, without any exception whatever, a single commodity that has fallen in price since 1814, the fall of which may not be satisfactorily accounted for without reference to the supply of gold and silver. Multiplied proofs of what is now stated, will be found in various articles throughout this work. And we have little doubt that those who investigate the matter with any degree of care, will agree with us in thinking, that, even without distinguishing between gold and silver, were the influence of the decreased productiveness of the mines on prices estimated at from 3 to 5 per cent. it would be very decidedly beyond the mark. We believe its influence has been hardly perceptible."

If, however, as Mr. M'Culloch states in the foregoing passage (and as I have endeavoured to show), "there is not, without any exception whatever, a single commodity that has fallen in price since 1814, the fall of which may not be satisfactorily accounted for without reference to the supply of gold and silver," it seems to follow that the previous rise may be equally accounted for without such reference; because the mere abstraction of

the causes of the rise till 1814, will account for the greater part of the subsequent fall; the fall of some commodities, in a greater degree than the previous rise, being the effect of improvements in machinery, in cultivation, in science, and in the facility and comparative cheapness of communication.

But, although, upon the grounds stated, there is reason to believe that the variations in the productiveness of the mines, considerable as those variations have been, are insufficient, taking into consideration the countervailing circumstances, to have caused any perceptible difference in the value of the precious metals, it must be admitted that the hypothesis which ascribes to that cause more than its due importance, is not chargeable with the inconsistencies, and the utter untenableness in argument, of either the theory of war-demand, or the more generally prevalent doctrine of the paramount influence of alterations in the system of our currency.

APPENDIX.

APPENDIX A. — Vol. I. p. 164.

Upon the Causes which determine the Rate of Interest. Extracted from a Publication by the Author, entitled "Considerations on the State of the Currency." 1826.

The rate of interest may be defined to be that proportional sum which the lender is content to receive, and the borrower to pay, annually, or for any longer or shorter period, for the use of a certain amount of *monied capital**, without any consideration for trouble in the collection of the income, or for risk as to the punctual repayment of the interest or principal at stipulated periods. Whatever is received by the owner of a monied capital for the loan of it, beyond that rate, ought to be considered in the light of a remuneration for risk or trouble.

In this view, the *rate of interest* is *the measure of the net profit on capital.* All returns beyond this, on the employment of capital, are resolvable into compensations under distinct heads, for risk, trouble, or skill, or for advantages of situation or connexion. When the owner of a capital

* To distinguish, with perfect accuracy, between *monied capital* and *currency*, is a matter of some difficulty, and, perhaps, would require a detailed analysis of every species of mercantile transaction. In ordinary discourse, both *monied capital* and *currency* are called *money*, and the market for *monied* or *disposable capital* is called the *money-market*, and hence much confusion arises from the use of the word *money*, where *monied capital* is meant. M. Say notices this distinction between *money* and *disposable capital*, and the errors to which the confounding of the two terms together has given rise, in his excellent and justly celebrated work *Traité d'Economie Politique*, p. 112. *et seq.*

employs it actively in reproduction, he does not come under the head of those capitalists, the proportion of whom, to the number of borrowers, determines the rate of interest. It is only that class of capitals, the owners of which are unwilling or unable to employ their money actively themselves, which has any immediate influence on the rate of interest.

This is the description of capitals which M. Say calls *Capitaux disponibles*.

The possessors of disposable monied capitals, who operate on the rate of interest as lenders, may be classed under the following heads:

1. Persons, or bodies of persons, trustees, or others, who are precluded by legal or other disability from investing any money which they have to lay out, in any security that is attended with either risk or trouble. Banks, whether corporate, or consisting of private individuals, in as far as they conduct their business according to correct banking principles, may be reckoned under this head. It is perfectly possible that, within certain limits, an increasing proportion of national monied income may be accumulated in the hands of persons or bodies coming under this description, to such an amount that, if the borrowers who have securities to offer, which involve neither risk nor trouble to the lenders, be limited to a certain number, the rate of interest upon such securities may be depressed in almost any degree.* It is clear, in this point of view, that a fall in the rate of interest on the best securities is no criterion of the returns to capital actively employed, which involves the necessity of risk, trouble, and skill. If, by any financial operation, brought about without any intermediate disturbance of property, as, for instance, by an effective sinking fund, our national debt were reduced to one or two hundred millions, it is not inconceivable that any perpetual annuities offered by government, within that amount, would fetch fifty years' purchase, or, in other words, that the rate of interest, all other things remaining the same, would, on such securities, be reduced as low as 2 per cent. per annum.

* It is on this account that an increased issue of Bank of England and other bank notes, in the way of loans to government, or of discount on mercantile bills, contributes to reduce the rate of interest, when there is no corresponding increase of borrowers having the most undoubted security to offer.

A state of war, on the other hand, may easily be supposed to raise the rate of interest by creating a supply of that description of security to a larger amount, and more rapidly, than could be absorbed by the accumulations of the class coming under this head. A rise in the rate of interest is, therefore, a condition for obtaining the requisite funds from the other classes of persons possessing monied capitals.

Hence it may be seen why the rate of interest, as measured by securities involving no risk or trouble, should be lower in peace than in war, without resorting to any difference in the rate of profits, to account for that difference in the rate of interest.

2. Persons who are willing to take some trouble, with little, if any risk, and who invest their monied capitals in mortgages, ground-rents, or in loans on goods and other securities involving the necessity of superintendence, and more or less of trouble and exertion in collecting the annual interest. In proportion to the difficulty of obtaining good securities of this kind, except at a reduced rate of interest, this class would be liable to merge into the next class which will be mentioned.

The prevalence, however, of habits of prudence, and the consequently increasing proportion of the national income accumulating in the hands of this, as well as of the first class, would enable persons possessing skill for the active employment of capital, or enjoying advantages of situation or connexion, and offering sufficient security, to retain a larger portion of the returns, as a compensation for their risk, trouble, and skill. Supposing the whole returns to capital to remain the same, a diminishing proportion might go as the net profit to the monied capitalist, and an increasing one to mercantile, manufacturing, farming, or other professional skill. These returns, beyond the mere interest of money, and beyond what may arise from rent or the monopoly of situation, connexion, &c., M. Say classes under the head of *profits industriels*, as contra-distinguished from *profits de capitaux*; a distinction which our economists might adopt with advantage.

3. Persons who, in order to obtain a higher rate of interest, or a higher price for the use of their monied capitals, are willing to run an extra degree of risk in the investment of them, but without bestowing personal labour,

or possessing any technical knowledge or skill, to qualify them for the active management of such investment.

This is a class, the extent of which could not have been adequately conceived till the experience of late years, in which the success of foreign loans, and mining schemes of the most hazardous nature, proves how many persons there were in this country, who, having some property, were willing to embark it in enterprises of more or less hazard, provided that such enterprises promised on the face of them to yield more than the common rate of interest, without requiring labour or skill. In proportion as the funds of this class have been absorbed in successive payments to the loans and schemes, they must have been withdrawn from the competition with the two first classes of lenders, and this new mode of investment must, consequently, have operated thus far in preventing a fall, if not in occasioning a rise, in the rate of interest on the best securities in this country. At the same time that the progressive reduction in the rate of interest, on the best securities, must have detached many monied capitalists from the two first classes, and brought them into the third. There can be no doubt, therefore, that the fall in the rate of interest, an artificial one as it now appears, was, in some degree, a necessary condition of the success of those loans and schemes to the extent to which they were carried.

The three classes of persons here enumerated as being lenders of monied capital, include those who, being actively engaged in trade, manufactures, or farming, accumulate more than they can re-invest in their own occupation, with the prospect of getting the ordinary rate of interest, after allowing for a remuneration for their labour and risk.

A material consideration to be here borne in mind is, that it is only as long as those capitals are floating, or disposable, that they operate on the rate of interest. When once they are invested, whether for a long or a short time, they are out of the competition of *lendable* capitals, and cease to affect, directly, the rate of interest. Thus, if I have invested my monied capital in the discount of bills, however undoubted in point of security, and at however short a date, that sum is withdrawn from the amount of floating or disposable capital. I may, indeed, if I have a sudden occasion to require so much money for immediate

use, get the bills re-discounted for me; but, then, this sum must be withdrawn from the amount of floating or disposable capital in other quarters.

These being the principal heads under which the lenders of monied capitals may be classed, constituting one of the conditions on which the rate of interest depends, viz., the *supply*, it remains to consider what is the description of the borrowers, who constitute the *demand*. These may be classed as follows: —

1. Persons who have the *prospect* of being able to employ a capital beyond their own funds, in such a manner as to afford a return adequate to remunerate them for their trouble, and skill, and risk, after replacing the amount advanced, together with the sum stipulated for the use of it.

2. Persons who, having embarked the whole of the capital which they possessed, and having entered into engagements which require larger advances, and afford smaller returns than they had anticipated, call for a further sum, of such an amount as their securities or credit enable them to obtain, in order to make up for the deficiency or temporary absence of the returns which they had reckoned upon.

3. Persons who have occasion to borrow, in order to supply the means of unproductive expenditure beyond their income. This head includes a great number of borrowers, having various kinds of securities. It embraces not only those who are proprietors of lands and houses, which admit of being mortgaged, or who have personal security to offer, but the government, which may mortgage the revenues of the state. Under this head may be considered the agents of foreign governments, who may raise loans in this country, or, in more general terms, may offer foreign government securities, which hold out adequate temptation for investment on the part of capitalists in this country.

It is only by a classification of particulars like these, that the causes of variation in the current rate of interest can be extricated from the confusion in which they are involved by the attempts which have been made, in discussions purely scientific, to account for all such variations by the supposition of corresponding alterations in the rate of profit.

The simplest way, as it strikes me, on all such occasions

is, where anything like an analysis can be made, to consider, in the first place, the effect of an alteration in each class of the circumstances under consideration separately, the others remaining the same, and then to trace the influence of any variation in each class on all the others. To do this completely, however, would require a much greater length of discussion than would be consistent with the immediate object of the present inquiry; and I shall content myself with pointing out the manner in which the state of the currency affects the conditions of the rate of interest, and in which the change of these conditions again affects the state of the currency.

Suppose that, at a given time, all these conditions were in their ordinary state, and that the current rate of interest were, consequently, steady, it is very easy, then, to conceive how a sudden increase in the issue of paper, by banks of circulation, may disturb that state of things, notwithstanding that the amount of such increase may be apparently small, when compared with the whole of the national capital; for it is not with the whole, nor even with any considerable part of the national capital, that what I consider as a *nominal* addition to it, by a fresh issue of bank promissory notes, comes in competition. The amount of capital seeking investment, at any given time, may easily be imagined to be so limited, that, what might otherwise appear to be an insignificant sum, may yet be a large proportion of that amount, and may, consequently, produce a great temporary depression in the rate of interest, on that description of security for which it comes directly into competition.

But, in reducing the rate of interest on the best class of securities, this competition drives the possessors of capital seeking investment to the alternative of submitting to a diminished income, or of running a risk which they otherwise would not have done, in the disposal of it. And it is, in most instances, the proprietors of the smaller capitals, being those upon whom the reduction of income presses hardest, who have recourse to the more hazardous investments, whether on comparatively slender private security, or in sleeping partnerships, or in joint-stock companies, or in foreign loans.

It must be evident that the same reduction of interest, which leads the possessors of floating capital to incur an extra risk in their investments, is likely to induce persons

who have credit, and who are in the active employment of capital, to extend their engagements, if there be any speculative ground for anticipating an advance of prices. This they may do, either by purchases on credit, to a greater extent than usual, or by borrowing at the reduced rate of interest. If the reduction in the rate of interest, and the facility of credit thence arising, should coincide with a tendency from other causes, to a speculative rise of prices, and with the opening of new fields for enterprise, there will naturally be a great extension of the demand for the loan of capital, by borrowers under the first head.

In the period, however, the consideration of which will form the chief subject of the present inquiry, the increase of borrowers under that head, in consequence of the disposition to speculate, and to form joint-stock companies, had not any immediate or very sensible effect in raising the rate of interest: it merely prevented the greater fall, which, otherwise, must have been occasioned by the immense augmentation of paper, or *nominal* capital*, which was created during that period, as will be hereafter more particularly noticed. The supply of *nominal* capital was increased, during that period, in a ratio equal to, if not beyond, that of the immediate increase of demand, great as it was.

In the early progress of a general speculation, the immediate absorption of capital is comparatively small. The increased demand for capital by the class of borrowers described under the first head, may not only not outrun

* A distinction is to be made between *capital* in the scientific use of the term, as applied to the actual funds destined for re-production, consisting of raw materials, &c., and *monied capital.* In a settled or uniform state of the currency, however, and in the ordinary use of credit, these two terms may be considered as identical or convertible. But, during the progress of increased issues of paper, there is a factitious increase of *monied capital;* this may be called *nominal,* which comes in competition with the pre-existing monied capital; and it is while in this state of increase that it operates upon the rate of interest. It cannot enter into circulation otherwise than by reducing the rate of interest, other things remaining the same; as it must inevitably, at the time it is issued, increase the number of lenders, or diminish the number of borrowers. When the amount of the currency has become settled, for any length of time, at a particular level, it is immaterial, as relates to the rate of interest, whether the level of the currency be at one half or at double of its former value: the rate of interest will then be governed entirely by the supply of, and demand for, capital, as resulting from circumstances independent of the currency.

the increased supply of *nominal* capital, created by an enlargement of the circulating medium, so as to produce a rise in the rate paid for the use of such capital, but the enlargement of the circulating medium may be, and, indeed, commonly is, under such circumstances, so large as to produce a *fall* in the rate of interest. But the case, in the further progress and termination of a general speculation, is widely different.

There is, then, an immense increase in that class of borrowers which comes under the second head; and, in proportion as the facility of obtaining credit, as indicated by a low rate of interest, has been such as to give great latitude to speculation, there will be an increased demand for capital, and the intensity of the demand will be indicated by a great rise in the rate of interest. The demand is no longer limited, as it was, by the prospect of advantage to be made by the outlay of the capital, after defraying the rate required for the use of it; it is now limited only by the utmost extent of the securities of every description, which all persons who have entered into engagements beyond their own immediately available or convertible capital can bring forward. If, therefore, the *nominal* amount of capital were the same as it had been when the disposition to overtrade was at its height, there would, by the rapidly increasing absorption of funds, and the consequently urgent wants of the borrowers, be a considerable rise in the rate of interest. "No complaint (observes Dr. A. Smith, *Wealth of Nations*, vol. ii. p. 151–52.) is more common than that of a scarcity of money. Money, like wine, must always be scarce with those who have neither wherewithal to buy it, nor credit to borrow it. Those who have either, will seldom be in want of the money, or of the wine, which they have occasion for. This complaint, however, of the scarcity of money, is not always confined to improvident spendthrifts; it is sometimes general through a whole mercantile town and the country in its neighbourhood: *overtrading* is the common cause of it. Sober men, whose projects have been disproportioned to their capitals, are as likely to have neither wherewithal to buy money, nor credit to borrow it, as prodigals, whose expense has been disproportioned to their revenue. Before their projects can be brought to bear, their stock is gone, and their credit with it. They run about everywhere to borrow

money, and every body tells them that they have none to lend." *

* Notwithstanding this very clear exposition of the manner in which overtrading produces a scarcity of money, and a difficulty of borrowing, or, in other words, a rise in the rate of interest, Dr. Smith has been led by the hypothesis of the identity of a high rate of interest with high profits, to convey, in the following passage, an erroneous impression as to the state of things in our commercial history at the period to which he alluded. "For some time," he observes, "after the conclusion of the late war (1763), not only private people, of the best credit, but some of the greatest companies in London, commonly borrowed at 5 per cent., who, before that, had not been used to pay more than 4 and 4½ per cent. The great accession, both of territory and trade, by our acquisitions in North America and the West Indies, will sufficiently account for this, without supposing any diminution in the capital stock of the society. So great an accession of new business to be carried on by the old stock must necessarily have diminished the quantity employed in a great number of particular branches, in which the competition being less, the profits must have been greater." (Vol. i. chap. 9.)

Now, the real state of the facts connected with the rise in the rate of interest at that period is, that, whether in consequence of the transition from war to peace, or from any peculiar circumstances which had previously favoured general overtrading, connected with an unduly extended circulation of mercantile paper, particularly on the Continent of Europe, a great revulsion of commercial credit occurred at the precise period referred to. And the advance in the rate of interest lasted only during the interval which usually elapses in cases of this kind, before the effects of such a crisis, in diminishing the competition of disposable monied capitals, can have subsided. If the rise in the rate of interest had been merely the consequence of more profitable employment of money in the new colonies, there is no reason why the rate should have fallen as it did in a year or two after, for it would be no difficult matter to show that the real employment, the actual outlay and absorption of British capital in that direction, must have been much greater in the third and fourth years, than in the two first years after the peace.

Some notices have been inserted (vol. i. p. 150.) of the derangement of credit which prevailed, in 1763, among the principal trading towns of the Continent of Europe†, and a derangement of such extent could not fail of communicating its effects to this country, as, indeed, it appears to have done. The following is a statement of the increase of bankruptcies: —

1762	-	-	-	205
1763	-	-	-	233
1764	-	-	-	301

† George Chalmers, in his *Estimate*, thus notices the commercial discredit of that period: — "The failures which happened at Berlin, at Hamburg, and in Holland, during July, 1763, communicated dismay and distrust to every commercial town on the European Continent." (p. 134., edit. of 1802.)

But coincidently with, and partly arising out of, the very circumstances which entail a recoil of the speculation, and a consequent increase of the number of borrowers, is the occurrence of a great diminution of the amount of disposable or monied capital. All that part of the *nominal* capital which arose out of the increase of the circulating medium, beyond what the ultimate reference and necessary subsidence to a level with the value of gold, in the rest of the commercial world, could admit of being retained in circulation, is swept away by the process which I have, on former occasions, described. Not only is there a very great diminution of the amount of disposable capital, from this cause, but a further reduction must be allowed for, from the large proportion of persons, bankers and others, who having, in ordinary times, and during the general prevalence of prudence in the conduct of business, confined themselves to the safest and most convertible securities, have been tempted, if not driven by the low rate of interest, into loans on doubtful or inconvertible securities, and, perhaps, into engagements by which they are themselves brought into the class of borrowers.

Thus, while the demand for capital is increased in a very great degree, the supply of it is diminished, not only relatively to the increased demand, but to the former amount of supply. There can, therefore, be no difficulty in such cases in accounting for the great rise in the rate of interest. And this process has been strikingly exemplified in the recent state of the money-market.

In 1764, exchequer bills, paying 4 per cent. per annum, fell below par, and navy bills were at $9\frac{5}{8}$ per cent. discount; and 3 per cent. consols, which, in March, 1763, had been at 96., fell, in October, 1764, to 80. But, in 1765, exchequer bills, of which a fresh issue had been made, bearing 3 per cent. per annum interest, were generally about, and sometimes above, par; and the 3 per cent. consols rose to 92. (Grelleir *On the National Debt*, and Sir John Sinclair's work *On the Revenue*.) Here is a great fall in the interest of money, without the shadow of any other ground for inferring that the employment of capital had become, in a national point of view, less profitable. On the contrary, as the increase of trade and manufactures, and of agriculture and population, seems to have been at least as rapid in 1765-66 as in the two preceding years; and such increase being the only intelligible criterion of the progress of national wealth, or of the power of accumulation, as arising out of the surplus of national income, I consider that both the direct and the presumptive proofs are against the inference drawn by Adam Smith, that the high rate of interest at the period referred to by him was the consequence of an extended field offered by the peace for a more profitable employment of capital.

APPENDIX B.—Vol. I. p. 184.

Description of the Seasons of 1794 *and* 1795, *extracted from a Publication by Mr. Burke, entitled "Thoughts and Details on Scarcity," written in November,* 1795.

"With regard to the harvest of 1794, in relation to the noblest grain, wheat, it is allowed to have been somewhat short, but not excessively, and in quality, for the seven-and-twenty years, during which I have been a farmer, I never remember wheat to have been so good. The world were, however, deceived in their speculations upon it—the farmer as well as the dealer. Accordingly, the price fluctuated beyond any thing I can remember; for, at one time of the year, I sold my wheat at 14*l.* per load (I sold off all I had, as I thought this a reasonable price), when, at the end of the season, if I had then had any to sell, I might have got thirty guineas for the same sort of grain. I sold all that I had at a comparatively low price, because I thought it a good price, compared with what I thought the general produce of the harvest; but when I came to consider what my own total was, I found that the quantity had not answered my expectation. It must be remembered, that this year of produce (the year 1794), short, but excellent, followed a year, 1793, which was not extraordinary in production, nor of a superior quality, and left but little in store. At first, this was not felt, because the harvest came in unusually early—earlier than common by a full month. The winter at the end of 1794 and beginning of 1795 was more than usually unfavourable both to corn and grass, owing to the sudden relaxation of very rigorous frosts, followed by rains, which were again rapidly succeeded by frosts of still greater rigour than the first.

"Much wheat was utterly destroyed. The clover grass suffered in many places. What I never observed before, the rye grass, or coarse bent, suffered more than the clover. Even the meadow-grass in some places was killed to the very roots. In the spring, appearances were better than we expected. All the early sown grain recovered itself and came up with great vigour; but that which was late sown was feeble, and did not promise to resist any blights in the spring, which, however, with all its unpleasant vicissitudes, passed off very well; and nothing looked better than

the wheat at the time of blooming: but at that most critical time of all, a cold, dry, east wind, attended with very sharp frosts, longer and stronger than I recollect at that time of year, destroyed the flowers, and withered up in an astonishing manner the whole side of the ear next to the wind. At that time I brought to town some of the ears, for the purpose of showing to my friends the operation of those unnatural frosts, and according to their extent I predicted a great scarcity. But such is the pleasure of agreeable prospects, that my opinion was little regarded.

"On threshing, I found things as I expected—the ears not filled, some of the capsules quite empty, and several others containing only withered hungry grain, inferior to the appearance of rye. My best ears and grains were not fine; never had I a grain of so low a quality—yet I sold one load for 21*l*. At the same time I bought my seed wheat (it was excellent) at 23*l*. Since then the price has risen, and I have sold about two load of the same sort at 23*l*. Such was the state of the market when I left home last Monday. Little remains in my barn. I hope some in the rick may be better, since it was earlier sown, as far as I can recollect. Some of my neighbours have better, some quite as bad, or even worse. I suspect it will be found that wherever the blighting wind and those frosts at blooming-time have prevailed, the produce of the wheat crop will turn out very indifferent. Those parts which have escaped will, I can hardly doubt, have a reasonable produce. As to the other grains, it is to be oberved, as the wheat ripened very late (on account, I conceive, of the blights), the barley got the start of it, and was ripe first. The crop, with me and wherever my inquiry could reach, was excellent, in some places far superior to mine. The clover which came up with the barley was the finest I remember to have seen. The turnips of this year (1795) are generally good. The clover sown last year, where not totally destroyed, gave two good crops, or one crop and a plentiful feed; and, bating the loss of the rye grass, I do not remember a better produce.

"The meadow-grass yielded but a middling crop, and neither of the sown or natural grass was there in any farmer's possession any remainder from the year, worth taking into account; in most places there was none at all. Oats with me were not in a quantity more considerable than in commonly good seasons. But I have never known

them heavier than they were in other places. The oat was not only a heavy but an uncommonly abundant crop. My ground under peas did not exceed an acre or thereabouts, but the crop was great indeed. I believe it is throughout the country exuberant. It is, however, to be remarked, that as generally of all the grains, so particularly of the peas, there was not the smallest quantity in reserve. The demand of the year must depend solely on its own produce; and the price of the spring corn is not to be expected to fall very soon, or at any time very low. Uxbridge is a great corn market. As I came through that town I found that at the last market day, barley was at 40*s.* a quarter; oats there were literally none, and the innkeeper was obliged to send for them from London. I forgot to ask about peas. Potatoes were 5*s.* the bushel. In the debate on this subject in the House, I am told that a leading member of great ability, little conversant in these matters, observed, that the general uniform dearness of butcher's meat, butter, and cheese, could not be owing to a defective produce of wheat; and on this ground insinuated a suspicion of some unfair practice on the subject, that called for inquiry. Unquestionably, the mere deficiency of wheat could not cause the dearness of the other articles, which extends not only to the provisions he mentioned, but to every other, without exception.

"The cause is indeed so very plain and obvious, that the wonder is the other way. When a properly directed inquiry is made, the gentlemen who are amazed at the price of these commodities, will find, that when hay is at six pounds a load, as they must know it is, herbage, and for more than one year, must be scanty; and they will conclude, that if grass be scarce, beef, veal, mutton, butter, milk, and cheese, must be dear.

"But, to take up the matter somewhat more in detail; if the wheat harvest in 1794, excellent in quality, was defective in quantity, the barley harvest was in quality ordinary enough, and in quantity deficient. This was soon felt in the price of malt. Another article of produce (beans) was not at all plentiful. The crop of peas was wholly destroyed, so that several farmers pretty early gave up all hopes on that head, and cut the green haulm as fodder for the cattle, then perishing for want of food in that dry and burning summer. I myself came off better than most—I had about the fourth of a crop of peas. It will be recol-

lected that, in a manner, all the bacon and pork consumed in this country (the far largest consumption of meat out of towns) is, when growing, fed on grass, and on whey or skimmed milk; and, when fatting, partly on the latter. This is the case in the dairy countries, all of them great breeders, and feeders of swine; but, for the much greater part, and in all the corn countries, they are fattened on beans, barley-meal, and peas. When the food of the animal is scarce, his flesh must be dear. This, one would suppose, would require no great penetration to discover. This failure of so very large a supply of flesh in one species, naturally throws the whole demand of the consumer on the diminished supply of all kinds of flesh, and, indeed, on all the matters of human sustenance. Nor, in my opinion, are we to expect a greater cheapness in that article for this year, even though corn should grow cheaper, as it is to be hoped it will. The store swine, from the failure of subsistence last year, are now at an extravagant price. Pigs, at our fairs, have sold lately for fifty shillings, which two years ago would not have brought more than twenty. As to sheep, none, I thought, were strangers to the general failure of the article of turnips last year; the early having been burned as they came up by the great drought and heat; the late, and those of the early which had escaped, were destroyed by the chilling frosts of the winter, and the wet and severe weather of the spring. In many places a full fourth of the sheep or the lambs were lost; what remained of the lambs were poor and ill-fed, the ewes having had no milk. The calves came late, and they were generally an article, the want of which was as much to be dreaded as any other. So that article of food, formerly so abundant in the early part of the summer, particularly in London, and which in a great part supplied the place of mutton for near two months, did little less than totally fail.

"All the productions of the earth link in with each other. All the sources of plenty in all and every article were dried or frozen up. The scarcity was not, as gentlemen seem to suppose, in wheat only.

"As to the lesser articles, they are like the greater. They have followed the fortune of the season. Why are fowls dear? Was not this the farmer's or jobber's fault? I sold from my yard to a jobber six young and lean fowls, for four-and-twenty shillings; fowls, for which two years ago the same man would not have given a shilling a piece.

He sold them afterwards at Uxbridge, and they were taken to London to receive the last hand.

"As to the operation of the war in causing the scarcity of provisions, I understand that Mr. Pitt has given a particular answer to it; but I do not think it worth powder and shot." (Page 33.)

APPENDIX C.—Vol. II. p. 338.

Letter addressed to the Author by James Pennington, Esq.

Dear Sir,

It was the principal object of the paper of observations, which you did me the honour to append to your published letter to Lord Grenville, to illustrate the principle on which the deposits of the London bankers are formed, and the mode in which they act; to show that they are susceptible of considerable increase, or diminution, without a corresponding enlargement or contraction of the basis on which they rest; and that, consequently, the quantity of money in the metropolis may be greater, or less, at one time than another, although the circulation of the Bank of England should remain uniformly the same.

I did not attempt, in that paper, to explain all the various circumstances which tend to augment, or to lessen, the amount of the deposits. My object was to show that the book credits of a London banker, and the promissory notes of a country banker, are essentially the same thing; that they are different forms of the same kind of credit; and that they are employed to perform the same functions.

It never occurred to me, as appears to have been supposed by Colonel Torrens, that every million of notes issued by the Bank of England forms the basis of five millions of deposits; and that every million withdrawn from circulation, by the Bank, occasions a five-fold diminution of those deposits. On the contrary, it is perfectly consistent with my view of the subject, to suppose that the deposit accounts of the London bankers may be materially diminished, while the circulation of the Bank of England is greatly enlarged, or *vice versa*.

Colonel Torrens, in his published letter to Lord Melbourne, appears to have fallen into some misapprehension on this head.

He thinks that if, between December, 1833, and March, 1834, the Bank of England had contracted its circulation to the extent of 1,447,000*l.*, that contraction would have occasioned a diminution of the book-credit circulation of the metropolis of five times that amount.

In this statement he appears to have overlooked the circumstance, that, of the outstanding notes of the Bank of England, by far the largest portion is not in the hands of the London bankers, but in the hands of those the nature and routine of whose business do not require the employment of a banker; and that when a million of notes are cancelled by bullion payments, it is probable that the greatest part of that amount is finally withdrawn, not from the hands of the bankers, but from the external circulation.

It has been objected to the views which I endeavoured to explain, that as the amount of deposits left in the hands of a banker depends upon the pleasure and convenience of the depositors, the banker has no power to increase the quantity of money in circulation, without increasing or diminishing the fund which he reserves to meet the occasional demands of the depositors.

This is true: and it is equally true that, as the amount of notes which a bank of circulation is able to keep out depends upon the convenience and the willingness of those into whose hands they fall to hold them, the quantity of outstanding paper money is necessarily limited by that circumstance.

But the question is, whether the pleasure and the convenience of the depositors, and the will and the disposition of the note holders, are susceptible, at different times, of any material alteration in this respect; and, if they are, whether the deposit banks, and the circulating banks, can turn that alteration to their own advantage without entrenching on their reserved fund.

In order to determine this question, it is necessary to examine the circumstances that limit the amount of deposits, and of outstanding notes.

It has been correctly stated, by more than one writer on this subject, that the quantity of money in circulation is limited by the necessity which every one feels, or the endeavour which every one uses, to keep at his banker's, in his till, or in his pocket, no greater sum than he deems to be sufficient to answer current and occasional demands. One person keeps 5000*l.* for this purpose; another 500*l.*

another 100*l.*; and so on, to a few sovereigns, or a few shillings.

The aggregate amount of the money so kept forms the sum total of the money in circulation.

Now, if all the circulating banks simultaneously issue a greater amount of notes than can be absorbed in this way, some person, or many persons, must have in their possession a greater sum of money than is sufficient for current purposes.

Of this excess the ultimate corrective is the foreign exchange. A considerable time may, however, elapse before the check begins to operate. The foreign exchange is affected only through the medium of prices, or of the rate of interest; but an unusual abundance of money does not always produce a general rise of prices. It is quite possible, indeed, that contemporaneously with that abundance, the prices of commodities may be generally low. The increased issue of paper may fall into the hands of those who, from habit and inclination, are averse from investing their money savings in commodities, or services, with a view to reproduction and to profit; but whose desire it is to employ the money which comes into their hands, over and above their own personal and unproductive expenditure, in such a way as will bring to them an increased income, with as little risk and trouble as possible. But the opportunity of so employing this surplus money may not immediately occur. The amount of the public funds, in time of peace, is generally stationary or diminishing. If, therefore, one person determine, however high may be the price, to invest his money savings in the public funds, another person must necessarily be forced out; and the money, in the shape of Bank notes, or of book credits, may still remain waiting for an investment.

In such a state of things, there frequently prevails great dulness of demand for commodities, and a low rate of interest.

In the long run, however, it is probable that, either in consequence of an actual or prospective rise of prices, or in consequence of the demand of the saving class of the community for foreign stocks and foreign investments, the foreign exchange will become depressed, and a demand for metallic money for exportation be created; which demand, the bankers will be obliged, directly or indirectly, to satisfy. A contraction of the currency will then in all probability take place, and the redundant money disappear.

It thus appears that the promissory notes of the provincial bankers, and the book credits of the London bankers, may be issued to a greater extent than is necessary for the purpose of internal interchange; that the surplus of money, so created, may remain inert for a considerable time, without raising the prices of commodities, or affecting the foreign exchange; and that the ultimate corrective of the excess is a demand for, and exportation of, metallic money.

It may perhaps be said, that although circulating banks may occasionally issue an excessive quantity of paper, in the manner above described, it is impossible that the London banks, which are merely banks of deposit, can err in this respect. *They* can only lend to others the money which has been previously lent to them. *They* do not create paper money; they only employ, in discounting bills of exchange, or in advances upon securities bearing interest, the metallic or the paper money which has been placed in their hands for the purpose of facilitating the money transactions of the depositors. *They* are merely cashiers.

But although the London bankers do not issue promissory notes, is it quite certain that they do not create "promises to pay," which perform the functions, and serve all the purposes of promissory notes, and which may be increased without intrenching on their reserved fund, or diminished without adding to it?

What takes place when a London banker, or a country banker, discounts a bill of exchange?

When a London banker discounts a bill of exchange, he gives credit for the amount of the bill, less the interest, for the period which the bill has to run, in an account opened in his ledger: when a country banker discounts a bill of exchange, he pays the amount of the bill, less the interest, in promissory notes. In both cases payment from the banker of the amount of the bill, less the discount, may be immediately demanded in gold, or in Bank of England notes.

It may be said, that unless the person in whose favour the advance is made allows the money to remain in deposit, the London banker will immediately be called upon for payment; while the notes of the country banker may remain, for a considerable time, outstanding.

But does it necessarily follow, that if a cheque be drawn

upon the London banker for the amount of the advance, he will be obliged to intrench upon his reserved fund? The cheque may be paid into his hands by some other depositor, and placed at the credit of that other depositor; in which case, other things remaining the same, the whole amount of the book credits of that banker will be increased to the extent of this new advance. And even if the cheque be paid into the hands of some other banker, the amount of the book credits of the banker who has paid the cheque will not be diminished, while the book credits, as well as the reserved fund of the banker, to whom it is paid, will be increased by its amount.

Now, precisely the same train of circumstances may happen with regard to the notes of a country banker. In the first instance he issues fresh notes for the amount of the bill discounted. So long as these additional notes remain in circulation, he is precisely in the situation of a London banker to whom a cheque upon himself has been paid by a depositor.

But the additional notes may fall into the hands of a neighbouring bank; in which case the banker who issued them will be called upon for their discharge; and the reserved fund of the banker into whose hands they had fallen will be increased by the amount of the notes.

In consequence of this accession to his reserved fund, the second banker will be enabled to enlarge his issues; and thus the quantity of circulating paper may be augmented.

The converse of these operations may take place. The new advances, instead of being again deposited or circulated in the form of notes, may be employed in the discharge of securities previously in the possession of the bank; in which case there will be no augmentation of money.

Moreover, some of the deposits or notes already outstanding may be employed in the same way; in which case there will be a diminution of the quantity of money, unless the cancelled notes or cancelled deposits be reinstated by fresh discounts and fresh advances.

It does not appear to me that this reasoning is affected by an observation which I have sometimes heard, that circulating banks have frequently the power to force out and extend their issues of notes, while the London bankers are generally passive in this respect, and allow their book credit circulation to be increased, or diminished, by some

extrinsic force which they themselves have not been directly instrumental in producing.

That there may occasionally be some difference in the practical working of the two kinds of machinery I may readily admit, and yet still maintain that the character and object of both are essentially the same; that both the one and the other are substitutes for a metallic currency, and are susceptible of considerable increase or diminution, without a corresponding enlargement or contraction of the basis on which they rest.

But is it true, in point of fact, that the one has constantly and uniformly an advantage over the other in this respect? Has it not sometimes happened that, while the country bankers have found it impossible to increase their issues of notes, but on the contrary have been obliged to curtail them, the London bankers have been able to continue their usual operations, and even to extend them?

You, who are accurately acquainted with all the material facts and circumstances of our past commercial history, can answer these questions. I apprehend the truth to be, that each mode of circulation is affected by a variety of circumstances which do not always simultaneously affect both.

Permit me, in this place, to notice some observations that have been published on this subject.

With the view of explaining the principle and the operations of a bank of deposit, it has been said that the deposits left by individuals in the hands of a banker are *monied capital*, of which the functions are performed by a comparatively small sum of money; and that the banker is compensated for his trouble by employing, for his own benefit, that portion of the deposits which is not used by the depositor.

Of the meaning of the expression *monied capital*, no explanation is given. If metallic money is not intended by it, the expression can mean only land, houses, merchandise, and other things of a like nature, in which what is called monied capital consists; for surely it cannot mean the parchment, or the paper, on which the right to, or the interest in, the property referred to, is recorded. The banker may not be able to point out a single tangible and visible object on which any part of the written securities in his possession finally depends. Still, those securities (if they are good securities), whether consisting of bills,

bonds, mortgage deeds, or pledges of stock, have reference to property in which the deposits left in the hands of a banker are actually invested.

If this is a correct view of the matter, the expression, "monied capital," in the observations referred to, means certain muniments of title which are readily convertible, by sale or otherwise, into metallic money at the pleasure of the holder.

The result then is, that the deposits in the hands of a banker consist of debts of that banker to the depositors, against which debts he holds a small sum of money and other debts and obligations, which are finally resolvable into some tangible and visible object, its usufruct, or its produce.

In this sense of the term "monied capital," it may be admitted that the deposits in the hands of a banker are monied capital.

In a like sense it must be admitted that the promissory notes of a circulating bank are monied capital, which monied capital, if traced out to the things in which it is really invested or embodied, will be found to consist of houses, land, merchandise, &c., into which certain debts in the form of bankers' promissory notes are finally resolvable.

What is meant when it is said that the *functions* of this capital are performed by a small sum of money, is not quite so obvious.

The facts of the case are, however, sufficiently obvious.

A banker knows, from experience, that, although most of the debts which he owes are payable on demand, payment of a comparatively small portion of them is likely to be suddenly demanded. Of the funds entrusted to him he reserves, therefore, in the form of cash, no greater sum than he deems to be sufficient to answer that small amount of demand. This reserved cash performs no other function than the occasional payment of some of the debts owing by the banker.

I must here again beg to observe, that although the transferable book debts and the promissory notes of bankers are employed as a substitute for metallic money, it does not follow that every increase or diminution of their amount will necessarily affect prices of commodities in a degree commensurate with that increase or diminution. It may, and often does, happen that a larger portion than usual of the actual amount has fallen into the hands, or is at the

disposal of, persons who are unwilling for a season to bring their money funds to market. When this is the case, then — given the quantity of book credit money, and of notes — if those who are indisposed to come to market with their money have a larger share than usual, others must have a less share than usual.

This state of things may occur in a country of which the currency is exclusively metallic. When it does occur, prices are generally low, and the exchanges favourable to an influx of the metals.

It may, moreover, be observed, that the substitution of transferable book debts for metallic money induces, by the facility of transfer, and the safe custody which it affords, many persons to keep at their disposal much larger balances of money than they would be disposed to keep if the currency were wholly metallic. These extra balances render the quantity of money, or what answers all the purposes of money, much greater in this country than it probably would be if the currency consisted exclusively of coin. They are not to be regarded as so much unemployed capital. The capital which they represent exists in a tangible form somewhere; they are credits available at a moment's notice by the parties in whose favour they are given. They do not act upon the prices of commodities, or of securities, unless they are brought out. They are merely so much dormant credit. The large sums lodged, at interest, in the Scotch, and in many of the provincial banks, are of this description, with this difference, that they are not payable on demand without previous notice to the banker.

It remains to consider the deposits of the Bank of England, and to enquire in what respect they differ from its note circulation. It may be proper to consider them under the following heads: —

1. Deposits of Government.
2. Deposits of the London bankers.
3. Drawing accounts.

The most important question that occurs with regard to these deposits is this: — Upon which of them, and in what degree, is a demand for gold, when it arises either from the internal wants of the country, or from an unfavourable balance of trade, likely to fall; and what effect is that demand likely to have upon the note circulation of the Bank?

Let us take them in their order.

1. The Government balances.

Of these the aggregate amount varies; first, in consequence of the greater or less productiveness of the public revenue compared with the expenditure; and secondly, because, when the income and expenditure are, on the whole, even, the former is not, for short periods of time, commensurate with the outgoings. From these causes, and in consequence of the necessity of a strict adherence to the rules of parliamentary appropriation, the Government balances are subject to temporary fluctuations. But as the variations, in the course of the year, usually compensate each other, their effect on prices, or on the rate of interest, and, through prices or the rate of interest, on the foreign exchange, is too inconsiderable to deserve notice.

When the revenue is surplus, the excess is brought into circulation through the medium of the sinking-fund, or is applied to the redemption of quarterly deficiency bills, agreeably to the provisions of the Act of 10 Geo. IV., cap. 27.

When the revenue is deficient, the deficiency must be made good in some other way than by a direct advance from the Bank of England, or the general circulation will, no doubt, be artificially enlarged.

2. Deposits of the London bankers.

These constitute part of the reserved fund of the London bankers, which it may be presumed is kept in deposit at the Bank solely to suit the convenience of the bankers, the custody of the Bank being preferred to that of their own iron chests.

The increase or diminution of these balances depends upon the general state of the money circulation of the metropolis. If, during the prevalence of an unfavourable foreign exchange, the balances are reduced by cheques drawn upon the Bank, and finally by payments in gold, for exportation, then — unless the bankers themselves export the gold on their own account, which seldom or never happens — the balances due to their various depositors, and consequently the quantity of money in the metropolis, is as effectually reduced as if the outstanding notes of the Bank were reduced by the redemption of securities in its possession, and the bankers' deposits at the Bank to remain unaltered.

On the other hand, during the prevalence of a favourable foreign exchange, and the consequent influx of gold from abroad, whether the imported gold is held by the bankers,

or placed by them in deposit at the Bank, the quantity of money in the metropolis is as effectually increased as it would be if the Bank of England were to give notes in exchange for the gold.

3. Drawing accounts.

These are to be regarded exactly in the same light as so many drawing accounts kept with private bankers; they are transferable book-debts in a constant state of active circulation.

The propriety and expediency of separating the deposit department from the circulating department of the Bank, have lately been suggested in the belief that such a separation would render the operations of the Bank more conformable to certain rules, the strict observance of which, it is supposed, can alone make the currency vary exactly as it would do if it were wholly and exclusively metallic.

It is proposed that the circulating department shall hold a fixed amount of securities, and that its issue of notes beyond that amount shall be confined to the exchange of gold for notes, and notes for gold, with a few exceptions of no essential or material importance.

It is further proposed that the deposit department shall be free to employ its funds in whatever manner is most conducive to profit, and at the same time consistent with prudence and good management.

Although there is at present, I apprehend, no confusion of accounts between the two departments, yet so complete a separation of them as that which has been suggested, could not well be effected without a more formal division of debts and assets than mere book-keeping can accomplish. Whether a deposit bank upon so large a scale as that of the Bank of England could be so conducted as to prevent considerable fluctuations in the value of the currency, I own I have considerable doubts.

I am, dear Sir,
Very faithfully yours,
JAMES PENNINGTON.

Clapham, April 10. 1838.

An Account of the Average Market Price of Bullion in each Year, from 1800 to 1821 (taken from official Documents), of the Average Value per Cent. of the Currency, estimated by the Market Price of Gold for the same Period, and of the Average Depreciation per Cent.

Years.	Average Price of Gold per oz.	Average per Cent. of the Value of the Currency.	Average Depreciation per Cent.	Years.	Average Price of Gold per oz.	Average perCent. of the Value of the Currency.	Average Depreciation per Cent.
	£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.	£ s. d.
1800	3 17 10½	100 0 0	Nil.	1811	4 4 6	92 3 2	7 16 10
1801	4 5 0	91 12 4	8 7 8	1812	4 15 6	79 5 3	20 14 9
1802	4 4 0	92 14 2	7 5 10	1813	5 1 0	77 2 0	22 18 0
1803	4 0 0	97 6 10	2 13 2	1814	5 4 0	74 17 6	25 2 6
1804	4 0 0½	97 6 10	2 13 2	1815	4 13 6	83 5 9	16 14 3
1805	4 0 0	97 6 10	2 13 2	1816	4 13 6	83 5 9	16 14 3
1806	4 0 0	97 6 10	2 13 2	1817	4 0 0	97 6 10	2 13 2
1807	4 0 0	97 6 10	2 13 2	1818	4 0 0	97 6 10	2 13 2
1808	4 0 0	97 6 10	2 13 2	1819	4 1 6	95 11 0	4 9 0
1809	4 0 0	97 6 10	2 13 2	1820	3 19 11	97 8 0	2 12 0
1810	4 10 0	86 10 6	13 9 6	1821	3 17 10½	100 0 0	Nil.

An Account of the Debts and Assets (exclusive of the Bank Capital) of the Bank of England; exhibiting, on the one hand, the Amount of Bank Notes, Post Bills, &c. in Circulation, and of the public and private Deposits in the Hands of the Bank; and, on the other, the Amount of the various public and private Securities, and of the Bullion held by the Bank, on the 31st of August, in each Year, from 1778 to 1831 inclusive.—(From the *Appendix, No. 5. of Report on Bank Charter.*)

	£		£	£
31 August, 1778.		31 August, 1778.		
Circulation	6,758,070	Securities { Public	6,540,433	9,627,970
Deposits	4,715,580	Securities { Private	3,087,537	
	11,473,650	Bullion		3,128,420
		Rest, 1,282,740*l.*		12,756,390
31 August, 1779.		31 August, 1779.		
Circulation	7,276,540	Securities { Public	7,493,649	9,849,840
Deposits	5,201,040	Securities { Private	2,356,191	
	12,477,580	Bullion		3,983,300
		Rest, 1,355,560*l.*		13,833,140
31 August, 1780.		31 August, 1780.		
Circulation	6,341,600	Securities { Public	6,740,514	10,345,540
Deposits	6,655,800	Securities { Private	3,605,026	
	12,997,400	Bullion		4,179,370
		Rest, 1,527,510*l.*		14,524,910
31 August, 1781.		31 August, 1781.		
Circulation	6,309,430	Securities { Public	6,609,457	11,110,510
Deposits	5,921,630	Securities { Private	4,501,053	
	12,231,060	Bullion		2,862,590
		Rest, 1,742,040*l.*		13,973,100
31 August, 1782.		31 August, 1782.		
Circulation	6,759,310	Securities { Public	8,987,573	13,483,790
Deposits	6,759,450	Securities { Private	4,496,217	
	13,518,760	Bullion		1,956,550
		Rest, 1,921,580*l.*		15,440,340
30 August, 1783.		30 August, 1783.		
Circulation	6,307,270	Securities { Public	9,566,037	13,841,800
Deposits	6,105,650	Securities { Private	4,275,763	
	12,412,920	Bullion		590,080
		Rest, 2,018,960*l.*		14,431,880
31 August, 1784.		31 August, 1784.		
Circulation	5,592,510	Securities { Public	8,435,777	12,524,380
Deposits	6,267,130	Securities { Private	4,088,603	
	11,859,640	Bullion		1,539,830
		Rest, 2,204,570*l.*		14,064,210
31 August, 1785.		31 August, 1785.		
Circulation	6,570,650	Securities { Public	6,725,891	9,944,570
Deposits	6,252,030	Securities { Private	3,218,679	
	12,822,680	Bullion		5,487,040
		Rest, 2,608,930*l.*		15,431,610
31 August, 1786.		31 August, 1786.		
Circulation	8,184,330	Securities { Public	7,988,241	10,378,780
Deposits	5,867,240	Securities { Private	2,390,539	
	14,051,570	Bullion		6,311,050
		Rest, 2,638,260*l.*		16,689,830

Amount of Notes in Circulation and Deposits, and Securities held by the Bank — *continued.*

	£			£	£
31 August, 1787.			31 August, 1787.		
Circulation - -	9,685,720	Securities -	Public -	8,066,303	11,853,660
Deposits - -	5,631,540		Private -	3,787,357	
		Bullion - - - -			6,293,000
	15,317,260	- - - Rest, 2,829,400*l.*			18,146,660
30 August, 1788.			30 August, 1788.		
Circulation - -	10,002,880	Securities -	Public -	8,840,068	11,570,320
Deposits - -	5,528,640		Private -	2,730,252	
		Bullion - - - -			6,899,160
	15,531,520	- - - Rest, 2,937,960*l.*			18,469,480
31 August, 1789.			31 August, 1789.		
Circulation - -	11,121,800	Securities -	Public -	9,661,859	11,697,760
Deposits - -	6,402,450		Private -	2,035,901	
		Bullion - - - -			8,645,860
	17,524,250	- - - Rest, 2,819,370*l.*			20,343,620
31 August, 1790.			31 August, 1790.		
Circulation - -	11,433,340	Securities -	Public -	10,047,257	12,003,520
Deposits - -	6,199,200		Private -	1,956,263	
		Bullion - - - -			8,386,330
	17,632,540	- - - Rest, 2,757,310*l.*			20,389,850
31 August, 1791.			31 August, 1791.		
Circulation - -	11,672,320	Securities -	Public -	10,921,300	12,819,940
Deposits - -	6,437,730		Private -	1,898,640	
		Bullion - - - -			8,055,510
	18,110,050	- - - Rest, 2,765,400*l.*			20,875,450
31 August, 1792.			31 August, 1792.		
Circulation - -	11,006,300	Securities -	Public -	10,715,041	13,905,910
Deposits - -	5,526,480		Private -	3,190,869	
		Bullion - - - -			5,357,380
	16,532,780	- - - Rest, 2,730,510*l.*			19,263,290
31 August, 1793.			31 August, 1793.		
Circulation - -	10,865,050	Securities -	Public -	10,381,838	14,809,680
Deposits - -	6,442,810		Private -	4,427,842	
		Bullion - - - -			5,322,010
	17,307,860	- - - Rest, 2,823,830*l.*			20,131,690
30 August, 1794.			30 August, 1794.		
Circulation - -	10,286,780	Securities -	Public -	8,863,048	12,446,460
Deposits - -	5,935,710		Private -	3,583,412	
		Bullion - - - -			6,770,110
	16,222,490	- - - Rest, 2,994,080*l.*			19,216,570
31 August, 1795.			31 August, 1795.		
Circulation - -	10,862,200	Securities -	Public -	13,250,904	16,989,920
Deposits - -	8,154,980		Private -	3,739,016	
		Bullion - - - -			5,136,350
	19,017,180	- - - Rest, 3,109,090*l.*			22,126,270
31 August, 1796.			31 August, 1796.		
Circulation - -	9,246,790	Securities -	Public -	10,875,347	17,025,470
Deposits - -	6,656,320		Private -	6,150,123	
		Bullion - - - -			2,122,950
	15,903,110	- - - Rest, 3,245,310*l.*			19,148,420
31 August, 1797.			31 August, 1797.		
Circulation - -	11,114,120	Securities -	Public -	8,765,224	18,261,170
Deposits - -	7,765,350		Private -	9,495,946	
		Bullion - - - -			4,089,620
	18,879,470	- - - Rest, 3,471,320*l.*			22,350,790
31 August, 1798.			31 August, 1798.		
Circulation - -	12,180,640	Securities -	Public -	10,930,038	17,349,640
Deposits - -	8,300,720		Private -	6,419,602	
		Bullion - - - -			6,546,100
	20,481,330	- - - Rest, 3,414,410*l.*			23,895,740
31 August, 1799.			31 August, 1799.		
Circulation - -	13,389,490	Securities -	Public -	9,452,955	16,930,440
Deposits - -	7,642,240		Private -	7,477,485	
		Bullion - - - -			7,000,780
	21,031,730	- - - Rest, 2,899,490*l.*			23,931,220

Amount of Notes in Circulation, and Deposits, and Securities held by the Bank — *continued.*

30 August, 1800.	£	30 August, 1800.	£	£
Circulation - -	15,047,180	Securities - { Public -	13,586,590 }	22,138,420
Deposits - -	8,335,060	{ Private -	8,551,830 }	
		Bullion - - - -		5,150,450
	23,382,240	- - - Rest, 3,906,630*l.*		27,288,870
31 August, 1801.		31 August, 1801.		
Circulation - -	14,556,110	Securities - { Public -	11,926,873 }	22,209,570
Deposits - -	8,133,830	{ Private -	10,282,697 }	
		Bullion - - - -		4,335,260
	22,689,940	- - - Rest, 3,854,890*l.*		26,544,830
31 August, 1802.		31 August, 1802.		
Circulation - -	17,097,630	Securities - { Public -	13,528,599 }	27,113,360
Deposits - -	9,739,140	{ Private -	13,584,761 }	
		Bullion - - - -		3,891,780
	26,836,770	- - - Rest, 4,168,370*l.*		31,005,140
31 August, 1803.		31 August, 1803.		
Circulation - -	15,983,330	Securities - { Public -	13,336,179 }	26,918,840
Deposits - -	9,817,240	{ Private -	13,582,661 }	
		Bullion - - - -		3,592,500
	25,800,570	- - - Rest, 4,710,770*l.*		30,511,340
31 August, 1804.		31 August, 1804.		
Circulation - -	17,153,890	Securities - { Public -	14,993,395 }	25,826,680
Deposits - -	9,715,530	{ Private -	10,833,285 }	
		Bullion - - - -		5,879,190
	26,869,420	- - - Rest, 4,836,450*l.*		31,705,870
31 August, 1805.		31 August, 1805.		
Circulation - -	16,388,400	Securities - { Public -	11,413,266 }	27,772,850
Deposits - -	14,048,080	{ Private -	16,359,584 }	
		Bullion - - - -		7,624,500
	30,436,480	- - - Rest, 4,960,870*l.*		35,397,350
31 August, 1806.		31 August, 1806.		
Circulation - -	21,027,470	Securities - { Public -	14,167,772 }	29,473,100
Deposits - -	9,636,330	{ Private -	15,305,328 }	
		Bullion - - - -		6,215,020
	30,663,800	- - - Rest, 5,024,320*l.*		35,688,120
31 August, 1807.		31 August, 1807.		
Circulation - -	19,678,360	Securities - { Public -	13,410,055 }	29,936,950
Deposits - -	11,789,200	{ Private -	16,526,895 }	
		Bullion - - - -		6,484,350
	31,467,560	- - - Rest, 4,953,740*l.*		36,421,300
31 August, 1808.		31 August, 1808.		
Circulation - -	17,111,290	Securities - { Public -	14,956,394 }	29,244,090
Deposits - -	15,012,510	{ Private -	14,287,696 }	
		Bullion - - - -		6,015,940
	30,123,800	- - - Rest, 5,136,230*l.*		35,260,030
31 August, 1809.		31 August, 1809.		
Circulation - -	19,574,180	Securities - { Public -	15,307,673 }	33,435,270
Deposits - -	12,257,180	{ Private -	18,127,597 }	
		Bullion - - - -		3,652,480
	31,831,360	- - - Rest, 5,256,390*l.*		37,087,750
31 August, 1810.		31 August, 1810.		
Circulation - -	24,793,990	Securities - { Public -	17,198,677 }	40,973,770
Deposits - -	13,617,520	{ Private -	23,775,093 }	
		Bullion - - - -		3,191,850
	38,411,510	- - - Rest, 5,754,110*l.*		44,165,620
31 August, 1811.		31 August, 1811		
Circulation -	23,286,850	Securities - { Public -	21,884,248 }	37,083,280
Deposits - -	11,075,660	{ Private -	15,199,032 }	
		Bullion - - - -		3,243,300
	34,362,510	- - - Rest, 5,964,070*l.*		40,326,580
31 August, 1812.		31 August, 1812.		
Circulation - -	23,026,880	Securities - { Public -	21,165,190 }	38,176,120
Deposits - -	11,848,910	{ Private -	17,010,930 }	
		Bullion - - - -		3,099,270
	34,875,790	- - - Rest, 6,399,600*l.*		41,275,390

Amount of Notes in Circulation, and Deposits, and Securities held by the Bank — *continued.*

	£		£	£
31 August, 1813.		31 August, 1813.		
Circulation - -	24,828,120	Securities - { Public -	25,591,336 }	40,106,080
Deposits - -	11,159,730	{ Private -	14,514,744 }	
		Bullion - - - -		2,712,270
	35,987,850	- - - Rest, 6,830,500*l.*		42,818,350
31 August, 1814.		31 August, 1814.		
Circulation - -	28,368,290	Securities - { Public -	34,982,485 }	48,345,960
Deposits - -	14,849,940	{ Private -	13,363,475 }	
		Bullion - - - -		2,097,680
	43,218,230	- - - Rest, 7,225,410*l.*		50,443,640
31 August, 1815.		31 August, 1815.		
Circulation - -	27,248,670	Securities - { Public -	24,194,086 }	44,854,180
Deposits - -	12,696,000	{ Private -	20,660,094 }	
		Bullion - - - -		3,409,040
	39,944,670	- - - Rest, 8,318,550*l.*		48,263,220
31 August, 1816.		31 August, 1816.		
Circulation - -	26,758,720	Securities - { Public -	26,097,431 }	37,279,540
Deposits - -	11,856,380	{ Private -	11,182,109 }	
		Bullion - - - -		7,562,780
	38,615,100	- - - Rest, 6,227,220*l.*		44,842,320
30 August, 1817.		30 August, 1817.		
Circulation - -	29,543,780	Securities - { Public -	27,098,238 }	32,605,630
Deposits - -	9,084,590	{ Private -	5,507,392 }	
		Bullion - - - -		11,668,260
	38,628,370	- - - Rest, 5,645,530*l.*		44,273,890
31 August, 1818.		31 August, 1818.		
Circulation - -	26,202,150	Securities - { Public -	27,257,012 }	32,370,760
Deposits - -	7,927,730	{ Private -	5,113,748 }	
		Bullion - - - -		6,363,160
	34,129,880	- - - Rest, 4,604,040*l.*		38,733,920
31 August, 1819.		31 August, 1819.		
Circulation - -	25,252,690	Securities - { Public -	25,419,148 }	31,740,550
Deposits - -	6,304,160	{ Private -	6,321,402 }	
		Bullion - - - -		3,595,360
	31,556,850	- - - Rest, 3,779,060*l.*		35,335,910
31 August, 1820.		31 August, 1820.		
Circulation - -	24,299,340	Securities - { Public -	19,173,997 }	23,846,120
Deposits - -	4,420,910	{ Private -	4,672,123 }	
		Bullion - - - -		8,211,080
	28,720,250	- - - Rest, 3,336,950*l.*		32,057,200
31 August, 1821.		31 August, 1821.		
Circulation - -	20,295,300	Securities - { Public -	15,752,953 }	18,475,540
Deposits - -	5,818,450	{ Private -	2,722,587 }	
		Bullion - - - -		11,233,590
	26,113,750	- - - Rest, 3,595,380*l.*		29,709,130
31 August, 1822.		31 August, 1822.		
Circulation - -	17,464,790	Securities - { Public -	13,668,359 }	17,290,510
Deposits - -	6,399,440	{ Private -	3,622,151 }	
		Bullion - - - -		10,097,960
	23,864,230	- - - Rest, 3,524,240*l.*		27,388,470
30 August, 1823.		30 August, 1823.		
Circulation - -	19,231,240	Securities - { Public -	11,842,677 }	17,467,370
Deposits - -	7,827,350	{ Private -	5,624,693 }	
		Bullion - - - -		12,658,240
	27,058,590	- - - Rest, 3,067,020*l.*		30,125,610
31 August, 1824.		31 August, 1824.		
Circulation - -	20,132,120	Securities - { Public -	14,649,187 }	20,904,530
Deposits - -	9,679,810	{ Private -	6,255,343 }	
		Bullion - - - -		11,787,430
	29,811,930	- - - Rest, 2,880,030*l.*		32,691,960
31 August, 1825.		31 August, 1825.		
Circulation - -	19,398,840	Securities - { Public -	17,414,566 }	25,106,030
Deposits - -	6,410,560	{ Private -	7,691,464 }	
		Bullion - - - -		3,634,320
	25,809,400	- - - Rest, 2,930,950*l.*		28,740,350

Amount of Notes in Circulation, and Deposits, and Securities held by the Bank—*continued.*

	£			£	£
31 August, 1826.			31 August, 1826.		
Circulation - -	21,563,560	Securities -	Public -	17,713,881	25,083,630
Deposits - -	7,199,860		Private -	7,369,749	
	28,763,420	Bullion - -	- -		6,754,230
		- - - Rest, 3,074,440*l.*			31,837,860
31 August, 1827.			31 August, 1827.		
Circulation - -	22,747,600	Securities -	Public -	19,809,595	23,199,320
Deposits - -	8,052,090		Private -	3,389,725	
	30,799,690	Bullion - -	- -		10,463,770
		- - - Rest, 2,863,400*l.*			33,663,090
30 August, 1828.			30 August, 1828.		
Circulation - -	21,357,510	Securities -	Public -	20,682,776	23,905,530
Deposits - -	10,201,280		Private -	3,222,754	
	31,558,790	Bullion - -	- -		10,498,880
		- - - Rest, 2,845,620*l.*			34,404,410
31 August, 1829.			31 August, 1829.		
Circulation - -	19,547,380	Securities -	Public -	20,072,440	24,661,810
Deposits - -	9,035,070		Private -	4,589,370	
	28,582,450	Bullion - -	- -		6,795,530
		- - - Rest, 2,874,890*l.*			31,457,340
30 August, 1830.			30 August, 1830.		
Circulation - -	21,464,700	Securities -	Public -	20,911,616	24,565,690
Deposits - -	11,620,840		Private -	3,654,074	
	33,085,540	Bullion - -	- -		11,150,480
		- - - Rest, 2,630,630*l.*			35,716,170
31 August, 1831.			31 August, 1831.		
Circulation - -	18,538,630	Securities -	Public -	18,056,552	23,905,030
Deposits - -	9,069,310		Private -	5,848,478	
	27,607,940	Bullion - -	- -		6,439,760
		- - - Rest, 2,736,850*l.*			30,344,790

An Account of the Average Yearly Amounts of the Bank of *England* Notes in Circulation; of the Deposits, Public and Private, held by the Bank; of the Investments in Securities; and of the Bullion held by the Bank, in the Years ending 28th February, 1829, 1830, 1831, and 1832.

	£		£
Bank Notes in Circulation -	20,953,000	Investments in Securities - -	23,834,000
Deposits, Public and Private -	10,104,000	Gold and Silver Bullion - -	9,640,000
In the Year ending 28 Feb. 1829 -	£ 31,057,000		£ 33,474,000
Bank Notes in Circulation -	19,631,000	Investments in Securities - -	24,424,000
Deposits, Public and Private -	9,711,000	Gold and Silver Bullion - -	7,285,000
In the Year ending 28 Feb. 1830 -	£ 29,342,000		£ 31,709,000
Bank Notes in Circulation -	20,575,000	Investments in Securities - -	24,343,000
Deposits, Public and Private -	11,735,000	Gold and Silver Bullion - -	10,322,000
In the Year ending 28 Feb. 1831 -	£ 32,310,000		£ 34,665,000
Bank Notes in Circulation -	18,542,000	Investments in Securities - -	24,004,000
Deposits, Public and Private -	9,489,000	Gold and Silver Bullion - -	6,389,000
In the Year ending 29 Feb. 1832 -	£ 28,031,000		£ 30,393,000

Prices of Gold and Silver, and Exchanges on Hamburg and Paris.

Date.	Price of Standard Gold in Bars per oz.	Price of Standard Silver per oz.	Price of Spanish Dollars per oz.	Exchange on Hamburg. 2½ Usance.	Exchange on Paris. 3 Days' Sight.
	£ s. d.	s. d.	s. d.		
1797 Feb. 24	3 17 6	5 5	5 3½	36. 0	
Aug. 25	3 17 6	5 2	5 0	37. 7	
1798 Feb. 23	3 17 10½	—	4 11½	38. 0	
Aug. 24	3 17 10½	5 1	5 0	37. 3	
1799 Feb. 22	3 17 9	—	5 1	37. 7	
Aug. 23	3 17 9	—	5 2½	34. 0	
1800 Feb. 28	—	—	5 7	31. 4	
Aug. 22	4 5 0 F	—	5 7	32. 2	
1801 Feb. 27	4 4 0 F	—	5 10	31. 7	
Aug. 25	—	—	5 10	31. 6	
1802 Feb. 26	4 3 6 F	5 11½	5 9	32. 2	
Aug. 27	—	5 6	5 3½	33. 2	23.10
1803 Feb. 25	—	5 7½	5 5	34. 4	24. 8
Aug. 26	—	—	—	32.10	23.16
1804 Feb. 24	—	—	5 7	34. 8	24.14
Aug. 31	4 0 0	—	5 1½	35.10	25. 4
Oct. 19	4 0 0	—	5 0	35. 8	25. 2
1805 Feb. 26	4 0 0	—	5 4	35. 8	25.12
Aug. 27	4 0 0	—	5 3½	35. 5	25.12
Nov. 26	—	5 9½	5 7	32. 9	25. 4
1806 Feb. 25	—	—	—	34. 2	24.12
Aug. 26	—	—	—	34. 5	24. 7
1807 Feb. 27	—	5 8	—	34.10	24.10
Aug. 28	—	—	5 5	34. 2	24. 6
1808 Feb. 26	—	—	5 3	34. 6	23. 6
Aug. 26	—	—	5 5	35. 2	23.16
1809 Feb. 28	4 10 0 F	—	5 3	31. 0	20.19
Aug. 22	—	—	5 5½	29. 4	20. 1
1810 Feb. 27	—	—	5 6	29. 0	19.16
Aug. 28	—	—	5 8½	30. 9	21. 6
1811 Feb. 26	4 13 6 F	—	5 11	25. 0	17.16
Aug. 30	4 17 6 F	6 2	6 0	25. 6	18. 2
1812 Feb. 28	4 15 0	—	6 1	28. 0	19.16
Aug. 28	—	—	6 3½	28. 9	19. 5
1813 Feb. 26	—	—	6 6	30. 0	29.80
Aug. 27	—	—	7 0	26. 6	18.80
1814 Feb. 22	5 8 0	6 11½	—	29. 0	21. 0
Aug. 23	4 11 0 F	5 8½	—	32. 0	22.80
1815 Feb. 28	4 9 0	5 11½	5 10	32. 2	22. 0
Aug. 25	—	—	5 7	32. 6	22. 0
1816 Feb. 27	4 2 0	5 4	5 3	34. 8	24.60
Aug. 27	3 19 0	—	4 10½	36. 9	25.80
1817 Feb. 28	3 18 6	5 1	4 11	36. 7	25.40

Prices of Gold and Silver, and Exchanges on Hamburg and Paris, continued.

Date.	Price of Standard Gold in Bars per oz.	Price of Standard Silver per oz.	Price of Spanish Dollars per oz.	Exchange on Hamburg. 2½ Usance.	Exchange on Paris. 3 Days' Sight.
	£ s. d.	s. d.	s. d.		
1817 Aug. 22	4 0 6	5 1	5 2	35. 0	24.30
1818 Feb. 27	—	5 4½	5 5	34. 0	24. 0
Aug. 25	—	—	5 5	34. 6	24.35
1819 Feb. 19	4 1 0	5 7	5 7	33.11	23.85
Aug. 3	3 18 0	5 2	—	35.11	25.10
1820 Mar. 3	3 17 10½	5 1½	—	36. 4	25.20
Aug. 1	3 17 10½	5 0	—	37. 6	25.80
1821 Feb. 27	3 17 10½	4 11½	4 10½	38. 2	25.80
Aug. 28	3 17 10½	4 11	4 10	38. 2	25.70
1822 Feb. 26	3 17 10½	4 11	4 9½	37. 4	25.40
Aug. 27	3 17 6	4 11¼	4 9	37.11	25.60
1823 Feb. 25	3 17 6	4 11¼	—	37.11	25.75
Aug. 26	3 17 6	4 11	4 8¾	38. 2	25.85
1824 Feb. 24	3 17 6	4 11½	4 9¼	37. 5	25.80
Aug. 31	3 17 6	—	4 10	36.11	25.20
1825 Feb. 22	3 17 9	5 0¾	4 10½	37. 0	25.15
Aug. 30	3 17 10½	5 1	4 11¼	36.10	25.25
1826 Feb. 28	3 17 6	—	—	37.10	25.70
Aug. 29	3 17 6	4 10¾	4 8¾	37. 9	25.75
1827 Feb. 27	3 17 6	4 11½	4 9¼	37. 3	25.55
Aug. 28	3 17 6	—	—	36.11	25.40
				M.C.S. Banco	
1828 Feb. 26	3 17 6	—	4 10	13.12	25.30
Aug. 26	3 17 6	—	4 11⅞	13.14	25.35
1829 Feb. 24	3 17 10½	—	—	13.13	25.40
Aug. 25	3 17 9	4 11⅝	4 9½	13.15	25.70
1830 Feb. 23	3 17 9	—	—	14. 3	25.85
Aug. 31	3 17 10½	4 11¾	4 9⅞	13.14½	25.50
1831 Feb. 22	3 17 10½	—	—	13.11	25.20
Aug. 30	3 17 10½	5 0	4 10⅛	13.11	25.20
1832 Feb. 28	3 17 10½	4 11¼	4 9¼	13.15	25.60
Aug. 31	3 17 9	4 10¾	4 8⅞	14. 8	25.85
1833 Feb. 26	3 17 9	4 10¾	4 9⅛	13.14½	25.85
Aug. 27	3 17 10½	4 11⅞	4 10	13.13½	25.75
1834 Feb. 25	3 17 9	4 11⅞	4 10⅛	13.11	25.35
Aug. 28	3 17 9	5 0¼	4 10¾	13.11	25.32½
1835 Feb. 27	3 17 9	5 0	4 10	13.10½	25.40
Aug. 28	3 17 9	4 11¾	4 9½	13.14¼	25.60
1836 Feb. 27	3 17 9	5 0	4 10⅛	13.13¾	25.57½
Aug. 27	3 17 10½	5 0⅝	4 10⅝	13.12	25.40
1837 Feb. 22	3 17 9	5 0¼	4 10¼	13.11¼	25.42½
Aug. 28	3 17 9	4 11⅜	4 9⅝	13.14	25.55
1838 Feb. 27	3 17 9	4 11½	-	13.12½	25.55

Average Quarterly Account of the Liabilities, Assets, and Surplus or Rest, of the Bank of England, as ordered by the Act 3 & 4 Will. IV. c. 98.

	Notes in Circulation.	Deposits.	Securities.	Bullion.	Rest, or Surplus Capital.
1834.	£	£	£	£	£
January 1. -	18,216,000	13,101,000	23,596,000	9,948,000	2,207,000
February 4. -	18,377,000	14,086,000	24,762,000	9,954,000	2,253,000
March 4. - -	18,700,000	14,418,000	25,547,000	9,829,000	2,258,000
April 1. - -	19,097,000	14,011,000	25,970,000	9,431,000	2,293,000
May 6. - -	18,978,000	14,081,000	26,691,000	8,884,000	2,516,000
June 3. -	18,922,000	14,539,000	27,312,000	8,645,000	2,496,000
July 1. - -	18,895,000	15,096,000	27,593,000	8,695,000	2,261,000
July 29. - -	19,110,000	15,675,000	28,502,000	8,598,000	2,315,000
August 26. -	19,147,000	15,384,000	28,679,000	8,272,000	2,420,000
September 23. -	19,126,000	14,754,000	28,691,000	7,695,000	2,506,000
October 21. -	18,914,000	13,514,000	27,840,000	7,123,000	2,535,000
November 18. -	18,694,000	12,669,000	27,138,000	6,781,000	2,556,000
December 18. -	18,304,000	12,256,000	26,362,000	6,720,000	2,522,000
1835.					
January 15. -	18,012,000	12,585,000	26,390,000	6,741,000	2,534,000
February 10. -	18,099,000	12,535,000	26,482,000	6,693,000	2,541,000
March 10. - -	18,311,000	13,281,000	26,657,000	6,536,000	2,681,000
April 7. - -	18,591,000	11,289,000	26,328,000	6,329,000	2,677,000
May 5. - -	18,542,000	10,726,000	25,764,000	6,197,000	2,693,000
June 2. -	18,460,000	10,568,000	25,562,000	6,150,000	2,684,000
June 30. - -	18,315,000	10,954,000	25,678,000	6,219,000	2,628,000
July 28. - -	18,322,000	11,561,000	26,244,000	6,283,000	2,644,000
August 25. -	18,340,000	12,308,000	26,964,000	6,326,000	2,642,000
September 22. -	18,240,000	13,230,000	27,888,000	6,261,000	2,679,000
October 20. -	17,930,000	14,227,000	28,661,000	6,186,000	2,690,000
November 17. -	17,549,000	16,180,000	30,069,000	6,305,000	2,645,000
December 15. -	17,821,000	17,729,000	31,048,000	6,626,000	2,624,000
1836.					
January 12. -	17,262,000	19,169,000	31,954,000	7,076,000	2,599,000
February 9. -	17,427,000	18,366,000	31,022,000	7,471,000	2,700,000
March 8. - -	17,439,000	16,966,000	29,806,000	7,701,000	3,802,000
April 5. - -	18,063,000	14,751,000	27,927,000	7,801,000	2,914,000
May 3. - -	18,154,000	13,747,000	27,042,000	7,782,000	2,923,000
May 31. -	18,051,000	13,273,000	26,534,000	7,663,000	2,873,000
July 1. - -	17,899,000	13,810,000	27,153,000	7,362,000	2,806,000
July 28. - -	17,949,000	14,495,000	28,315,000	6,926,000	2,806,000
August 25. -	18,061,000	14,796,000	29,345,000	6,325,000	2,813,000
September 22. -	18,147,000	14,118,000	29,406,000	5,719,000	2,860,000
October. 21 -	17,936,000	13,324,000	28,845,000	5,257,000	2,842,000
November 17. -	17,543,000	12,682,000	28,134,000	4,933,000	2,842,000
December 15. -	17,361,000	13,330,000	28,971,000	4,545,000	2,325,000
1837.					
January 10. -	17,422,000	14,354,000	30,365,000	4,287,000	2,876,000
February 7. -	17,868,000	14,230,000	31,085,000	4,032,000	3,019,000
March 7. - -	18,178,000	13,260,000	30,579,000	4,048,000	3,189,000
April 4. - -	18,432,000	11,192,000	28,843,000	4,071,000	3,263,000
May 2. - -	18,480,000	10,472,000	28,017,000	4,190,000	3,255,000
May 30. - -	18,419,000	10,422,000	27,572,000	4,423,000	3,154,000
June 27. - -	18,202,000	10,424,000	26,932,000	4,750,000	3,056,000
July 25. - -	18,261,000	10,672,000	26,727,000	5,226,000	3,020,000
August 22. -	18,462,000	11,005,000	26,717,000	5,754,000	3,004,000
September 19. -	18,814,000	11,093,000	26,605,000	6,303,000	3,001,000
October 17. -	18,716,000	10,501,000	25,316,000	6,856,000	2,955,000
November 14. -	18,341,000	10,242,000	23,985,000	7,432,000	2,831,000
December 14. -	17,998,000	10,195,000	22,727,000	8,172,000	2,706,000
1838.					
January 12. -	17,900,000	10,992,000	22,606,000	8,895,000	2,609,000

An Account of the aggregate Number of Notes circulated in England and Wales by Private Banks, and by Joint-Stock Banks and their Branches, distinguishing Private from Joint-Stock Banks. From Returns directed by 3 & 4 Will. IV. c. 83.

Quarters Ended	Private Banks.	Joint-Stock Banks.	Total.	Quarters Ended	Private Banks.	Joint-Stock Banks.	Total.
1833.				December 26. -	8,334,863	2,799,551	11,134,414
December 28. -	8,836,803	1,315,301	10,152,104	1836.			
1834.				March 26. -	8,353,894	3,094,025	11,447,919
March 29. - -	8,733,400	1,458,427	10,191,827	June 25. - -	8,614,132	3,588,064	12,202,196
June 28. - -	8,875,755	1,642,887	10,518,682	September 24. -	7,764,824	3,969,121	11,733,945
September 27. -	8,370,423	1,783,689	10,154,112	December 31. -	7,753,500	4,258,197	12,011,697
December 28. -	8,537,655	2,122,173	10,659,828	1837.			
1835.				April 1. - -	7,275,784	3,755,279	11,031,063
March 28. -	8,231,206	2,188,954	10,420,160	July 1. - -	7,187,673	3,684,764	10,872,437
June 27. - -	8,455,114	2,484,687	10,939,801	September 30. -	6,701,996	3,440,053	10,142,049
September 26. -	7,912,587	2,508,036	10,420,623	December 30. -	7,043,470	3,826,665	10,870,135

An Account of the Prices of Wheat per Quarter, as exhibited in the Register kept in the Audit Books of Eton College, from the year 1646 to Michaelmas 1826; reducing the Quarter of nine Bushels, in which it was kept from 1646 to Michaelmas 1793, to the Winchester Quarter of eight Bushels; and continuing it, according to the same measure, annually to Michaelmas, 1826.

Years.	Prices per Quarter, Winchester Measure.			Years.	Prices per Quarter, Winchester Measure.		
	Price at Lady-day.	Price at Michaelmas.	Mean Price for the Year.		Price at Lady-day.	Price at Michaelmas.	Mean Price for the Year.
	s. d.	s. d.	s. d.		s. d.	s. d.	s. d.
1646	37 11	60 5¼	49 2	1675	56 10¾	47 5	52 1¾
1647	59 3	71 8½	65 5¾	1676	35 6¾	32 0	33 9½
1648	71 1¼	80 0	75 6¼	1677	30 2¾	44 5¼	37 4
1649	*	*	71 1¼	1678	48 0	56 10¾	52 5¼
1650	68 9	67 6¾	68 1¾	1679	53 4	42 8	48 0
1651	65 2¼	56 10¾	61 0½	1680	37 4	42 8	40 0
1652	47 5	40 3½	48 10¼	1681	37 11	45 0½	41 5¾
1653	32 7	30 2¾	31 4¾	1682	35 6¾	42 8	39 1¼
1654	24 10¾	21 4	22 1¼	1683	39 1¼	32 0	35 6½
1655	21 11	37 4	29 7½	1684	35 6¾	42 8	39 1¼
1656	39 1¼	37 4	38 2½	1685	47 5	35 6¾	41 5¾
1657	36 9	46 2¾	41 5¾	1686	28 5¼	32 0	34 2½
1658	44 5¼	71 1¼	57 9¼	1687	34 0¼	29 0½	31 8½
1659	59 3	58 1	58 8	1688	24 10¾	21 4	23 1¼
1660	50 11½	51 6¾	51 3	1689	23 1¼	30 2¾	26 8
1661	53 4	71 1¼	62 2½	1690	32 7	29 0½	30 9¾
1662	78 2¾	53 4	65 9¼	1691	29 0½	30 9¼	29 11
1663	49 9¼	51 6¾	50 8	1692	42 8	40 10¾	41 9¼
1664	49 9¼	46 2¾	48 0	1693	52 4	66 11½	60 1¾
1665	45 0½	42 8	43 10¼	1694	71 1¼	42 8	56 10½
1666	35 6¾	28 5¼	32 0	1695	33 2¼	61 0½	47 1¼
1667	28 5¼	35 6¾	32 0	1696	64 0	48 0	56 0
1668	30 9¾	40 3½	35 6½	1697	40 9¼	56 10¾	53 4
1669	42 8	37 4	40 0	1698	62 2¾	59 3	60 8¾
1670	37 4	36 9	37 0½	1699	62 2¾	49 9¼	56 0
1671	35 6¾	39 1¼	37 4	1700	37 4	33 9¼	35 6½
1672	36 9	37 4	37 0½	1701	33 9¼	29 7½	31 8¼
1673	35 6¾	47 5	41 5¾	1702	26 8	25 5¾	26 0¾
1674	64 0	58 1	61 0½	1703	26 8	37 4	32 0

* Only one price given: the period of the year uncertain.

Years.	Prices per Quarter, Winchester Measure.						Years.	Prices per Quarter, Winchester Measure.					
	Price at Lady-day.		Price at Michaelmas.		Mean Price for the Year.			Price at Lady-day.		Price at Michaelmas.		Mean Price for the Year.	
	s.	d.	s.	d.	s.	d.		s.	d.	s.	d.	s.	d.
1704	51	6¾	30	9¾	41	2¼	1739	31	5	34	11½	33	2¼
1705	28	5¼	24	10¾	26	8	1740	41	9¼	56	0	48	10½
1706	23	1¼	23	1¼	23	1¼	1741	51	6¾	32	0	41	9¼
1707	23	1¼	27	3	25	2	1742	30	2¾	26	8	28	5¼
1708	27	3	46	2¾	36	8¾	1743	23	6¾	20	9	22	1¾
1709	57	5¾	81	9¼	69	7½	1744	22	2¾	21	11	22	0¾
1710	81	9¼	56	10¾	69	4	1745	22	6¼	26	1	24	3½
1711	44	5¼	51	6¾	48	0	1746	37	4	32	0	34	8
1712	48	7	33	9¼	41	2	1747	32	10¾	29	0½	30	11½
1713	33	9¼	56	10¾	45	4	1748	32	0	33	9¼	32	10½
1714	55	1¼	34	4½	44	8¾	1749	32	0	33	9¾	32	10½
1715	32	0	44	5¼	38	2½	1750	27	6¾	30	2¾	28	10¾
1716	42	8	42	8	42	8	1751	29	4	39	1¼	34	2½
1717	40	0	40	10¾	40	5¼	1752	44	1¾	37	4	40	8¾
1718	37	4	32	0	34	8	1753	40	3½	39	1¼	39	8¼
1719	28	10¾	33	2	31	0¼	1754	33	2¼	28	5¼	30	9¾
1720	32	0	33	9¼	32	10½	1755	27	10¼	32	0	29	11
1721	35	6¾	31	1¼	33	4	1756	32	5¼	48	0	40	2½
1722	32	0	32	0	32	0	1757	60	5¼	46	2¾	53	4
1723	29	7½	32	0	30	9¾	1758	49	9¼	39	1¼	44	5¼
1724	32	0	33	9¼	32	10½	1759	37	4	33	2¼	35	3
1725	37	4	48	10¾	43	1¼	1760	31	1¼	33	9¼	32	5¼
1726	46	2¾	35	6¾	40	10¾	1761	26	8	27	1¼	26	10½
1727	32	10¾	41	9¼	37	4	1762	35	6¾	33	9¼	34	8
1728	49	2¼	47	5	48	3½	1763	33	2¼	39	1¼	36	1¾
1729	45	4	39	1¾	42	2½	1764	38	8	44	5¼	41	6½
1730	32	10¾	32	0	32	5¼	1765	49	9¼	46	2¾	48	0
1731	30	2¾	28	5¼	29	4	1766	40	0	46	2¾	43	1¼
1732	24	8½	23	1¼	23	8¼	1767	56	0	58	8	57	4
1733	25	5¾	24	10¾	25	2¼	1768	58	2¾	49	4	53	9¼
1734	29	7½	37	4	33	5¾	1769	41	9¼	39	6¾	40	8
1735	35	6¾	40	10¾	38	2¾	1770	38	2¾	48	10¾	43	6¾
1736	34	4½	37	4	35	10¼	1771	49	9¼	51	6¾	50	8
1737	34	2¾	32	10¾	33	6¾	1772	56	10¾	60	5¼	58	8
1738	32	10¾	30	2¾	31	6¾	1773	59	6¾	58	8	59	1¼

Years.	Prices per Quarter, Winchester Measure.						Years.	Prices per Quarter, Winchester Measure.					
	Price at Lady-day		Price at Michaelmas.		Mean Price for the Year.			Price at Lady-day.		Price at Michaelmas.		Mean Price for the Year.	
	s.	d.	s.	d.	s.	d.		s.	d.	s.	d.	s.	d.
1774	53	4	56	10¾	55	1	1801	177	0	80	0	128	6
1775	59	1¼	43	6¾	51	4	1802	68	0	66	6	67	3
1776	42	8	42	8	42	8	1803	60	0	60	0	60	0
1777	46	2¾	51	6¾	48	10¾	1804	59	0	80	0	69	6
1778	49	9¼	38	2¾	44	0	1805	88	0	88	0	88	0
1779	36	10¾	35	6¾	36	2¾	1806	80	0	86	0	88	0
1780	38	2¾	48	0	43	1¼	1807	88	0	68	0	78	0
1781	56	10¾	48	0	52	5¼	1808	74	6	96	0	85	3
1782	49	9½	57	9½	53	9¼	1809	100	0	112	0	106	0
1783	58	8	49	9¼	54	2½	1810	120	0	104	0	112	0
1784	55	10¾	50	8	53	9¼	1811	104	0	112	0	108	0
1785	49	9¼	46	2¾	48	0	1812	136	0	120	0	118	0
1786	41	9¼	42	8	42	2½	1813	136	0	104	0	120	0
1787	41	9¼	49	9¼	45	9¼	1814	86	0	84	0	85	0
1788	50	8	48	0	49	4	1815	80	0	72	0	76	0
1789	55	5	56	10¾	56	1¾	1816	72	0	92	0	82	0
1790	55	8	53	9¼	56	2½	1817	132	0	100	0	116	0
1791	54	2¾	44	5¼	49	4	1818	104	0	92	0	98	0
1792	40	10¾	53	4	47	1¾	1819	80	0	76	0	78	0
1793	54	1	45	0½	49	6¾	1820	80	0	72	0	76	0
1794	52	0	56	0	54	0	1821	66	0	76	0	71	0
1795	71	0	92	0	81	6	1822	56	0	50	0	53	0
1796	96	0	64	6	80	3	1823	60	0	54	0	57	0
1797	70	0	54	0	62	0	1824	68	0	76	6	72	0
1798	54	0	54	0	54	0	1825	84	0	84	0	84	0
1799	58	8	92	8	75	8	1826	80	0	66	0	73	0
1800	126	0	128	0	127	0							

EDW. BROWN, Registrar to Eton College.

TABLE of the Monthly Average Price of Wheat, per Winchester Quarter, in England and Wales, from 1793 to 1837 inclusive.

Year.	Jan.	Feb.	Mar.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
1793	47 0	46 10	47 9	49 9	51 5	51 2	51 1	50 6	48 9	47 0	47 2	48 9
1794	50 1	50 7	50 10	51 2	51 3	51 6	51 11	52 6	51 6	51 0	52 10	55 0
1795	56 8	58 3	59 11	62 1	64 10	70 1	84 5	108 4	79 0	76 9	83 9	86 3
1796	92 0	93 6	100 0	86 8	75 7	80 2	81 0	75 11	64 5	61 3	59 9	57 3
1797	55 0	52 6	49 8	49 9	49 8	50 0	50 5	52 0	58 10	60 2	56 4	52 9
1798	51 2	49 10	50 2	51 7	51 10	51 0	50 9	51 3	50 0	48 7	47 11	48 5
1799	49 5	50 0	50 3	53 5	60 10	64 0	66 9	73 0	75 5	83 6	89 9	93 10
1800	94 8	101 11	107 10	111 11	120 2	125 0	134 10	103 2	105 10	106 6	120 2	132 6
1801	138 1	145 9	154 4	151 9	130 4	128 11	135 2	121 9	90 4	77 5	71 1	75 5
1802	76 5	74 5	73 6	69 9	65 3	67 0	67 4	69 0	67 3	61 10	59 5	57 10
1803	56 8	56 7	56 4	56 7	57 11	61 6	58 6	55 11	55 7	54 2	54 8	53 6
1804	51 8	50 2	50 0	51 1	51 8	52 0	53 4	59 9	65 2	68 1	79 8	85 7
1805	86 4	90 1	92 8	91 5	88 4	89 10	90 6	98 4	89 2	81 10	78 3	76 0
1806	75 8	74 6	74 5	77 0	84 4	84 0	82 2	81 9	80 8	79 2	77 4	76 11
1807	76 10	76 0	76 8	76 8	75 7	74 3	73 5	74 9	71 8	68 6	66 0	67 10
1808	69 2	69 3	69 5	71 0	73 5	79 3	81 4	81 6	84 0	86 7	92 0	90 8
1809	90 6	92 9	95 0	93 3	91 8	88 10	86 10	93 8	102 7	105 6	101 10	102 6
1810	101 11	100 4	102 5	105 2	109 4	115 6	113 9	116 0	110 5	101 10	100 2	97 1
1811	95 6	95 0	92 8	89 0	88 1	87 2	87 2	91 2	96 11	100 0	105 5	106 8
1812	105 9	105 2	112 5	125 5	132 6	133 10	144 6	152 3	136 6	113 7	121 6	121 0
1813	119 10	120 0	121 9	120 10	117 10	117 10	116 3	112 6	100 1	93 11	86 2	74 11
1814	78 2	77 4	77 3	75 8	69 7	69 10	68 4	73 8	78 6	75 4	73 5	70 4
1815	62 1	63 2	67 3	70 1	70 4	69 2	67 10	68 10	63 7	57 9	56 6	55 7
1816	52 10	55 6	55 4	60 2	73 7	74 11	74 0	82 1	85 11	90 10	98 10	103 7
1817	104 1	101 10	102 4	103 3	105 4	112 8	102 4	86 5	78 8	77 5	80 4	84 0
1818	84 10	84 10	84 8	89 8	87 5	83 7	86 6	81 3	81 9	81 10	82 5	80 8
1819	79 3	80 0	79 1	75 10	72 3	68 10	74 3	75 0	71 7	66 10	67 6	66 3
1820	64 0	64 10	69 0	69 4	70 0	69 10	70 0	72 5	67 10	58 9	57 6	54 6
1821	54 0	53 4	53 10	53 2	51 10	51 8	51 0	55 0	62 3	60 1	54 10	49 0
1822	48 8	48 6	46 0	44 7	46 4	43 10	43 1	41 10	39 8	39 0	38 10	38 11
1823	40 4	40 8	47 10	50 8	59 4	61 4	59 6	58 10	53 10	47 4	50 3	52 0
1824	59 8	65 10	65 6	64 10	63 1	62 9	60 2	57 10	55 4	59 2	64 8	64 3
1825	66 5	66 0	67 6	67 3	68 9	68 6	68 0	67 9	66 7	64 6	65 2	63 0
1826	60 3	59 3	55 7	59 8	58 9	57 0	56 7	56 9	55 6	54 5	55 3	55 8
1827	53 6	53 6	55 8	56 2	57 0	58 11	59 6	57 11	55 0	51 1	50 11	50 2
1828	50 0	50 6	51 9	54 8	55 3	54 9	54 0	59 2	58 1	69 7	73 0	71 8
1829	72 3	70 3	65 2	68 0	67 5	68 5	64 7	64 4	62 1	56 0	54 8	55 4
1830	54 4	55 11	59 2	63 11	63 8	64 3	68 11	70 5	60 5	60 10	61 10	64 10
1831	67 10	71 10	69 8	68 11	66 1	65 2	62 11	61 11	61 1	58 4	60 2	58 3
1832	57 7	57 7	57 3	58 7	60 0	60 4	61 5	60 4	55 9	51 0	51 5	52 6
1833	51 1	51 0	51 0	51 9	51 11	51 6	53 2	53 5	52 6	50 4	49 5	47 10
1834	47 5	47 2	46 0	46 0	46 3	46 9	46 11	46 9	42 3	40 3	40 11	39 6
1835	39 6	39 5	38 7	37 10	38 1	38 9	41 0	40 5	37 3	35 8	35 6	35 4
1836	36 1	39 3	43 2	46 5	47 9	48 11	48 3	47 8	46 6	46 4	55 6	57 9
1837	57 3	54 8	54 8	53 10	52 10	54 9	55 4	57 5	54 11	51 4	51 6	51 3

An Account of the Quantities of the following Articles imported from ALL PARTS, from 1782 to 1838.

Year.	Cotton Wool.	Coffee.	Flax.	Undressed Hemp.	Sheep's Wool.	Silk, Raw. Duty paid from 1835.	Silk, Thrown. Duty paid from 1835.	Sugar.	Tallow.
	lb.	cwt.	cwt.	cwt.	lb.	lb.	lb.	cwt.	cwt.
1782	11,828,039	- -	- -	- -	- -	- -	- -	1,374,269	- -
1783	9,735,663	- -	- -	- -	- -	- -	- -	1,584,275	- -
1784	11,482,083	- -	- -	- -	- -	- -	- -	1,782,386	- -
1785	18,400,384	- -	- -	- -	- -	730,150	344,251	2,075,909	- -
1786	19,475,020	- -	- -	- -	- -	473,042	361,448	1,613,965	- -
1787	23,250,268	- -	- -	- -	- -	770,989	389,537	1,926,621	- -
1788	20,467,436	32,340	261,895	564,071	- -	812,148	306,640	2,066,120	355,046
1789	32,576,023	35,046	139,494	472,264	2,713,114	842,865	393,259	1,936,440	260,127
1790	31,447,605	55,988	257,222	592,306	3,245,329	745,440	508,005	1,882,166	255,921
1791	28,706,675	46,102	303,101	372,813	2,776,054	976,673	470,195	1,813,193	164,863
1792	34,907,497	69,029	243,324	614,362	4,513,976	931,894	436,831	1,989,230	201,856
1793	19,040,929	123,750	271,249	553,832	1,891,385	1,020,008	241,955	2,194,726	235,009
1794	24,358,567	278,088	348,367	582,756	4,485,582	683,228	330,978	2,519,181	202,173
1795	26,401,340	360,038	225,854	574,623	4,902,500	736,998	336,995	2,151,273	180,807
1796	32,126,357	343,427	321,239	618,487	3,454,211	487,631	398,948	2,240,299	330,984
1797	23,354,371	354,477	209,682	488,177	4,653,696	266,276	401,662	2,139,887	244,042
1798	31,880,641	431,577	389,988	647,833	2,398,126	730,885	403,130	2,699,864	439,912
1799	43,379,278	390,237	418,737	752,568	5,151,711	1,240,954	467,687	3,390,975	450,217
1800	56,010,732	599,429	416,121	596,420	8,615,284	833,618	333,717	3,164,474	415,925
1801	56,004,305	664,443	272,036	748,572	7,387,107	739,111	275,149	3,976,564	332,666
1802	60,345,600	460,544	277,443	488,198	7,749,112	559,729	396,210	4,297,079	556,749
1803	53,812,284	219,477	294,645	729,677	6,020,775	803,799	384,764	3,185,850	537,428
1804	61,867,329	507,433	352,920	727,320	8,157,213	1,032,381	449,182	3,248,307	533,838
1805	59,692,406	354,061	466,625	611,012	8,546,378	1,180,706	433,272	3,178,788	393,819
1806	58,176,283	528,941	354,722	729,786	7,233,693	802,623	515,218	3,815,183	536,652
1807	74,925,306	417,643	421,393	756,825	11,768,926	777,799	345,144	3,641,311	367,398
1808	43,605,982	726,831	267,729	259,687	2,353,725	637,102	139,312	3,753,485	148,282
1809	92,812,282	707,907	533,367	858,876	6,845,933	698,189	501,746	4,001,198	353,177
1810	136,488,935	828,683	511,971	955,8 0	10,936,224	1,341,475	450,731	4,808,663	479,440
1811	91,662,344	559,596	243,899	458,548	4,739,972	602,047	20,336	3,917,627	292,535
1812	63,025,936	405,745	405,304	852,016	7,014,917	1,331,106	617,885	3,762,182	309,324
1813	Records of this year were destroyed by fire.								
1814	60,060,239	1,029,556	524,757	545,380	15,712,517	1,634,501	645,722	4,035,323	588,915
1815	99,306,343	815,440	351,103	731,506	14,991,713	1,442,594	387,739	3,984,782	641,642
1816	93,920,055	499,076	247,424	369,468	8,117,864	945,792	192,130	3,760,549	417,170
1817	124,912,968	520,256	452,797	457,266	14,715,843	932,102	245,591	3,795,551	385,964
1818	177,282,158	427,247	458,899	660,403	26,405,486	1,644,647	456,971	3,965,948	542,983
1819	149,549,971	373,025	432,690	474,239	16,190,343	1,483,546	287,645	4,077,009	581,938
		lbs.							
1820	151,672,655	48,841,626	382,389	426,163	9,775,605	2,215,691	333,636	4,209,676	812,478
1821	132,536,620	45,237,869	458,554	255,798	16,622,567	2,119,744	341,154	4,373,530	643,179
1822	142,837,628	44,003,124	610,106	616,454	19,058,080	2,060,292	502,975	3,774,575	805,238
1823	191,402,503	45,053,373	553,937	667,141	19,366,725	2,453,166	368,470	4,202,953	830,271
1824	149,380,122	50,674,249	742,531	571,936	22,564,485	3,051,979	342,005	4,413,147	680,382
1825	228,605,291	52,597,518	1,055,233	595,089	43,816,966	2,855,792	777,529	3,936,386	1,164,037
1826	177,607,401	42,017,103	688,622	489,330	15,989,112	2,487,820	177,405	4,319,094	864,962
1827	272,448,909	47,938,047	907,079	573,393	29,115,341	3,146,926	463,801	4,116,018	1,245,897
1828	227,760,642	41,069,731	876,189	504,120	30,236,059	4,256,423	508,818	4,868,019	1,049,806
1829	222,767,411	39,071,215	922,040	374,933	21,516,649	3,594,754	211,179	4,856,392	1,177,908
1830	263,961,452	40,952,163	944,096	506,771	32,305,314	3,440,638	413,840	4,916,005	1,073,833
1831	283,674,853	43,007,828	936,411	530,820	31,652,029	3,235,865	629,281	5,366,262	1,040,692
1832	286,832,525	50,225,939	982,516	593,564	28,128,973	3,391,721	177,166	4,867,747	1,177,815
1833	303,656,837	34,426,109	1,129,633	527,459	38,046,087	2,785,109	229,119	4,739,292	1,115,427
1834	326,875,425	41,865,111	811,722	673,811	46,455,232	3,643,512	192,149	4,743,414	1,397,407
1835	363,702,963	28,398,496	740,814	687,559	42,174,496	3,737,480	215,883	4,448,267	1,043,084
1836	406,959,057	34,054,832	1,529,116	586,032	64,239,952	4,453,081	396,660	4,649,161	1,186,264
1837	407,268,952	36,401,008	1,002,256	772,315	48,356,112	4,075,352	229,958	4,481,474	1,308,734

STATEMENT of the AVERAGE ANNUAL IMPORTS and EXPORTS into and from GREAT BRITAIN, from and to ALL PARTS, during the undermentioned Periods, inclusively of the First and Last Year of each respectively.

Years inclusively.	Periods of Years.	COTTON WOOL.		COFFEE.		FLAX.		HEMP, Undressed.		SHEEP'S WOOL.		RAW SILKS.		THROWN SILKS.		SUGAR, Raw.		SUGAR Refined.	TALLOW.	
		Imported.	Exported.	Imported.	Exported.	Imported.	Exported.	Imported.	Exported.	Imported.	Exported.	Imported.	Exported.	Imported.	Exported.	Imported.	Exported.	Exported.	Imported.	Exported.
From—to		lb.	lb.	lb.	lb.	cwt.	cwt.	cwt.	cwt.	lb.	lb.	lb.	lb.	lb.	lb.	cwt.	cwt.	cwt.	cwt.	cwt.
1793 1798	6	26,193,700	936,700	42,366,400	31,058,700	294,396	6,747	577,618	8,113	3,630,900	116,300	653,200	60,400	352,300	27,200	2,324,205	477,200	216,607	272,155	21,686
1799 1803	5	53,910,400	2,482,700	52,284,500	50,809,200	335,796	10,225	663,087	10,214	6,984,800	134,600	835,400	40,400	371,500	30,600	3,602,990	786,500	386,637	458,597	12,012
1804 1808	5	59,651,500	1,156,200	56,782,000	40,991,000	370,678	4,097	616,926	7,147	7,632,000	43,800	887,900	32,200	376,600	55,100	3,527,415	439,178	385,704	395,996	3,973
1809 1812*	4	95,997,400	4,036,500	70,054,000	53,608,200	423,635	50,977	781,310	25,922	7,384,300	96,500	993,000	28,000	397,600	53,700	4,122,418	630,958	314,888	358,619	6,904
1814 1818	5	111,098,400	8,696,600	73,731,300	84,387,500	406,996	19,225	552,805	30,684	15,988,700	273,000	1,319,900	122,300	379,600	44,000	3,908,431	714,570	631,407	515,335	25,930
1819 1822	4	144,149,200	13,876,600	44,965,300	41,431,300	480,935	11,429	443,164	19,737	15,411,600	266,400	1,575,900	22,700	366,400	14,300	4,108,698	426,163	547,923	710,708	17,498
1823 1827	5	203,888,800	16,646,400	47,656,100	31,661,200	789,480	8,851	579,378	8,327	26,170,500	589,400	2,799,100	86,400	425,880	12,550	4,196,319	350,184	407,461	957,110	6,433
1828 1832	5	257,999,400	19,311,500	42,865,200	23,020,500	932,250	9,033	502,042	18,380	28,767,800	703,800	3,583,900	78,700	388,100	19,230	4,974,885	353,927	515,533	1,104,011	40,532
1833 1837	5	361,692,600	31,013,500	35,029,100	12,537,800	1,042,710	14,757	649,435	32,695	47,854,400	1,759,300	3,738,900	169,869	252,800	19,502	4,612,322	412,601	294,585	1,210,203	32,128

* The Records for 1813 were burnt at the Fire of the Custom-House.

TABLES OF PRICES.

THE following Tables of Prices apply to the greater number of the articles, of which the quotations were appended to a former work of the author's, entitled "Thoughts and Details on the high and low Prices of the 30 Years ending in 1822." Those prices were collected with great care by Mr. Hinrichs; and, for the purposes of the present work, the quotations of them, as derived chiefly from the same authority, namely, "Prince's Price Current," have been collected and collated from that time to the present by Mr. M. L. Merac, whose accuracy is well known and attested by several elaborate tabular statements, which he has had occasion to draw up. Two of the articles, namely, Hops and Whalebone, in the following tables, have not been referred to in the foregoing historical sketch of prices, and they are here inserted for the purpose only of showing the prodigious variation to which some productions are liable from mere casualties affecting the supply. The latter of these articles, it will be observed, was cheaper during the war and the restriction than it had been before, or has been since.

The quotations in the Tables date as far back as 1782, because that is the period from which Prince's Price Current, the oldest of any extant, in a connected series, commences; and it appeared to be desirable to give them here in the entire series, because, commencing as the series does, in the year before the termination of the American war, it affords some means of judging of the effects of the transition from war to peace in 1783; and the information of the state of prices in the ten years of peace, before the breaking out of the long war with France, may be useful as exhibiting a view of the level from which the subsequent fluctuations took place.

The subjoined memorandum was appended by Mr. Hinrichs to the quotations of prices collected by him from 1782 to 1822; and Mr. Merac has added some remarks upon his own continuation of the prices from that time to the present.

"The prices in the following tables are extracted from the New London, now Prince's, and London Price Current, which was established in 1782, and is the oldest and best authenticated I have been able to meet with.

"In order to give as general an idea as it is possible in so small a compass of the variations in prices for forty years, I have selected the quotations of the first and last months of each year, with the intermediate fluctuations where the rise or fall has not been progressive.

"The figures on the left hand give the lowest quotation of the article, and those on the right the highest; the range between the two includes, therefore, the necessary scope for the uncertainty of price, which is sometimes observable when the market is in an unsettled state, as well as for the different gradations in quality, which are very great in some articles, as will be seen by the tables.

"In the column of 'Duties,' those only are noted which are levied on importation by British vessels. It is hardly necessary to observe, that whenever there is any great distinction in favour of British vessels, it operates to the exclusion of foreign vessels, in the importation of those articles to which the distinction applies.

"The rates of duties were obligingly furnished me by Mr. Thomas Cope of the Long Room, Custom House; and great pains were taken by him to insure their correctness; but, as several temporary alterations, not noticed in the books of rates, were made in the duties by orders in council and otherwise, I have, with a view to still greater correctness, referred to them, and made the proper allowance accordingly.

"It is, of course, not to be expected that a document of this kind, embracing so long a series of years, and such a variety of articles, should be entirely free from occasional errors; but I

think, from the care and attention bestowed, I am entitled to claim a pretty general dependence upon its accuracy.

"A. HINRICHS.

"*London, April*, 1823."

"The prices contained in these tables, for 1822, and subsequently up to the present period, I have carefully drawn from the same source as the prices from 1782 till 1822, 'Prince's Price Current;' except in the cases where the 'Averages of Muscovado Sugars,' not being inserted therein, I have taken them from other Prices Current, principally the 'New London Mercantile.'

"I have taken the following periods as a general basis for my prices, being those approximatively succeeding the revenue quarter, in each year respectively: —

from the 8th January, to about the 15th,
28th March, to about the 7th April,
10th July, to about the 16th,
8th November, to about the 15th;

unless, where any extraordinary alteration may have occurred, when it is placed at that period nearest to the preceding or subsequent one, as the case may have required; viz. if nearest to March quarter, I have placed it in the 2d column; if nearest to the July, then in the 3d column; and so forth as to the 1st or 4th columns.

"The prices of Bengal and China raw silks I have taken from the 'Returns' of the silkbrokers, after each sale (published in the London Mercantile, and New London, and occasionally in Prince's), of the lowest average price and highest average price of each description of silk put up to public sale, and at which they were sold by the Hon. the East India Company, at their respective annual sales, whether three or four in the year. I have not noticed any intermediate prices, as the higher or lower prices of each succeeding sale may serve generally as a guide to the greater or less demand between the two sales respectively.

"The home consumption duties on British plantation coffee, from 1782, include, in one amount (for simplification), all the

duties, warehousing, customs, and excise, while they remained in force; then the customs duty only, as at present.

"The returns of the imports and exports, in the quinquennial table, are calculated from the Annual Parliamentary Returns of Imports and Exports.

"For any other specific remark upon these tables, I must beg to refer to such as are noted upon each table respectively, as the case may have required.

"M. L. MERAC.

"*London, April*, 1838."

ASHES, Barilla, Carthagena, in Bond.

Year.	Cwt.										Duty.
	s. d.		s. d.		s. d.		s. d.		s. d.		
1782	-	-	22 0	a 24 0	24 0	a 26 0	-	-	-	-	5s. 2¼d.
1783	-	-	23 0	24 0	15 0	16 0	-	-	—		—
1784	-	-	16 0	17 0	33 0	35 0	-	-	—		—
1785	-	-	35 0	-	20 0	23 0	-	-	—		—
1786	-	-	22 0	24 0	28 0	29 0	-	-	—		—
1787	-	-	29 0	30 0	31 0	32 0	-	-	—		5s. 3d.
1788	-	-	31 0	32 0	19 0	20 0	-	-	—		—
1789	19 0	a 20 0	23 0	25 0	None		21 0	a 22 0	—		—
1790	-	-	19 0	20 0	17 0	18 0	-	-	—		—
1791	-	-	15 0	16 0	18 0	19 0	-	-	—		—
1792	18 0	19 0	17 0	18 0	-	-	18 0	19 0	—		—
1793	16 0	20 0	21 0	22 0	-	-	15 0	16 0	—		—
1794	-	-	14 0	15 0	25 0	26 0	-	-	—		—
1795	29 0	30 0	35 0	37 0	-	-	31 0	32 0	—		—
1796	33 0	35 0	None		None		31 0	32 0	5s. 6 3/20d.		—
1797	35 0	37 0	57 0	59 0	-	-	54 0	56 0	5s. 9 6/20d.		—
1798	51 0	55 0	41 0	45 0	-	-	44 0	47 0	7s. 3 6/20d.		—
1799	-	-	48 0	49 0	40 0	42 0	-	-	—		—
1800	36 0	37 0	27 0	29 0	-	-	30 0	31 0	—		—
1801	-	-	36 0	38 0	21 0	24 0	-	-	—		—
1802	23 0	25 0	21 0	23 0	-	-	26 0	27 0	May 12. 7s. 7 6/20		—
1803	25 0	26 0	28 0	30 0	-	-	27 0	28 0	July 5. 8s. 7¼d.		—
1804	-	-	27 0	28 0	30 0	31 0	-	-	June 1. 9s. 7¼d.		—
1805	32 0	33 0	30 0	31 0	-	-	35 0	37 0	April 5. 10s. 4d.		—
1806	-	-	26 0	28 0	32 0	33 0	-	-	May 10. 10s. 11½d.		—
1807	-	-	32 0	34 0	50 0	52 0	-	-	—		—
1808	59 0	64 0	75 0	80 0	-	-	40 0	48 0	—		—
1809	58 0	60 0	44 0	46 0	43 0	47 0	45 0	51 0	July 5. 11s. 4d.		—
1810	45 0	49 0	49 0	52 0	-	-	35 0	39 0	—		—
1811	-	-	35 0	39 0	19 0	24 0	-	-	—		—
1812	21 0	24 0	29 0	31 0	-	-	23 0	25 0	—		—
1813	-	-	24 0	25 0	25 0	26 0	-	-	—		—
1814	-	-	26 0	27 0	16 0	19 0	-	-	—		—
1815	-	-	17 0	21 0	25 0	26 0	-	-	—		—
1816	25 0	26 0	17 0	21 0	-	-	19 0	22 0	—		—
1817	30 0	32 0	32 0	33 0	-	-	28 0	29 0	—		—
1818	-	-	20 0	21 0	23 0	24 0	-	-	—		—
1819	-	-	22 0	23 0	19 0	20 0	-	-	—		—
1820	19 0	20 0	19 0	20 0	17 0	17 6	17 0	17 6	11s. 4d. to 30s. as per strength		—
1821	17 0	17 6	17 0	17 6	18 0	19 0	15 0	16 0	—		—
1822	15 0	16 0	16 0	17 0	15 0	16 0	14 0	15 6	—		—
1823	15 0	16 0	16 0	17 0	14 0	15 0	17 6	18 6	105s. per ton		—
1824	14 6	16 0	13 6	14 0	13 6	13 9	13 0	14 0	168s. ditto		—
1825	13 0	13 6	16 0	17 0	15 0	15 6	14 0	15 0	—		—
1826	12 0	13 0	12 0	-	10 9	11 0	12 0	12 6	—		—
1827	12 0	12 6	11 0	11 6	10 0	11 0	9 6	10 0	—		—
1828	9 6	10 0	9 0	9 6	10 0	10 6	12 6	14 0	—		—
1829	13 0	13 3	11 0	13 0	12 0	14 0	12 0	12 6	6s. 6d. fr. March		—
1830	14 0	14 6	14 0	14 6	14 0	14 6	14 0	14 6	5s. Feb.		—
1831	12 0	13 0	12 0	12 6	9 0	9 6	9 0	-	2s. Mar.		—
1832	10 3	10 6	10 9	-	10 9	-	11 0	11 6	—		—
1833	11 6	11 9	11 6	11 9	12 0	12 6	12 0	12 6	—		—
1834	10 0	10 6	10 0	10 6	10 0	10 6	10 0	10 6	—		—
1835	10 0	10 6	10 0	10 6	10 0	10 6	10 0	10 6	—		—
1836	10 0	10 6	10 0	10 6	9 6	10 0	No price		—		—
1837	No price		No price		No price		No price		—		—
1838											

ASHES, Pearl, Danzig or Russia.

Cwt.									Duty.
s. d.		s.	s. d.		s. s. d.		s. d.	s.	
-	-	-	46a 50	0	34a 35	0	-	-	2s. 1 4/20d.
-	-	-	32	40 0	22	30 0	-	-	—
-	-	-	23	26 0	34	36 0	-	-	2s. 2 8/20d.
-	-	-	30	32 0	18	24 0	-	-	—
-	-	-	18	24 0	28	31 0	-	-	—
28 0	31	24	28	0	-	-	26 0	32	2s. 3d.
26 0	28	24	26	0	-	-	28 0	34	—
30 0	34	28	32	0	34	36 0	None		—
None		36	40	0	34	40 0	-	-	—
-	-	None			-	-	-	-	—
-	-	-		-	-	-	-	-	—
-	-	28	30	0	22	26 0	-	-	—
26 0	28	None			after		May		—
Uncertain					-	-	-	-	—
-	-	56	58	0	54	56 0	-	-	2s. 4 7/20d.
-	-	51	54	0	-	-	-	-	2s. 5 1/20d.
-	-	48	55	0	46	51 0	-	-	3s. 9 14/20d.
-	-	46	52	0	46	48 0	-	-	—
-	-	37	47	0	36	41 0	-	-	—
-	-	36	40	0	31	36 0	-	-	—
-	-	30	36	0	16	24 0	-	-	May 12. 3s. 11 4/20d.
23 0	28	22	26	0	-	-	30 0	31	July 5. 3s. 11¼d.
26 0	31	30	33	6	-	-	-	-	June 1. 4s. 4d.
-	-	38	40	0	50	56 0	-	-	April 5. 4s. 5d.
-	-	51	63	0	None		-	-	May 10. 4s. 8d.
-	-	None			51	53 0	-	-	—
51 0	53	59	61	0	-	-	53 0	55	—
60 0	61	40	55	0	54	59 0	49 0	54	—
-	-	59	64	0	None		-	-	—
None		till Nov.			24	29 0	-	-	—
25 0	29	None			after		Feb.		Sep. 1. 9s. 4d.
-	-	37	38	0	52	55 0	-	-	11s. 1d.
Russia Pearl		59	62	0	40	42 0	66 0	68	—
52 0	58	47	52	0	-	-	57 0	59	—
55 0	57	40	42	0	-	-	53 0	55	—
58 0	59	61	62	0	49	51 0	47 0	50	—
-	-	47	48	0	38	40 0	-	-	—
40 0	41	26	27	0	29	30 0	26 0	27	11s. 2d.
26 0	27	26	-		26	-	26 0	27	—
27 0	31	27	31	0	30	-	32 0	33	—
33 0	36	None			39	-	35 0	37	—
35 0	38	None			34	-	30 0	31	—
31 0	-	30	-		27	-	26 0	-	—
30 0	-	32	-		30	-	38 0	-	July 6. 6s.
25 0	-	22	23	0	20	-	24 0	-	—
26 0	-	22	-		21	22 0	22 0	-	—
24 0	-	24	-		22	-	21 0	-	—
None		28	-		27	-	22 0	-	—
36	-	32	-		29	0	30		—
28 0	-	27	-		26	-	23	6	24	—
21 6	23	21	-		19	-	19	6	20	—
21 0		21	-		22	22 6	23	0	25	—
23 0	-	23	24	0	23	24 0	26	0	-	—
26 0	-	26	-		26	29 0	26	0	30	—
36 0	38	36	38	0	38	-	38	6	-	—
32 0	-	30	31	0	22	-	22	0	-	—
25 0	28	26	27	0					

BRISTLES, St. Petersburg, 1st Quality. (Duty paid from 1820.)

Year.	Cwt.								Duty.
	s.	s.	s.	s.	s.	s.	s.	s.	
1782	-	-	Not quoted				-	-	- - -
1783	-	-	Ditto						
1784	-	-	Ditto						
1785	-	-	95 *a* 100		82 *a* 87		-	-	1s. 4½d. per doz. lb.
1786	-	-	89	92	105	107	-	-	—
1787	-	-	107	-	137	-	-	-	—
1788	-	-	134	-	157	-	-	-	—
1789	-	-	147	-	197	-	-	-	—
1790	-	-	177	197	167	172	-	-	—
1791	-	-	167	172	187	-	-	-	—
1792	-	-	187	-	177	-	187	-	—
1793	-	-	187	-	202	-	167	-	—
1794	-	-	167	-	134	-	167	-	—
1795	-	-	167	-	197	-	182	-	—
1796	-	-	182	-	192	-	-	-	1s. 5 13/20d. per doz. lb.
1797	-	-	192	-	142	147	-	-	1s. 5 13/20d. per doz. lb.
1798	-	-	142	147	167	-	182	-	1s. 11 3/20d. per doz. lb.
1799	-	-	142	-	185	-	-	-	Ditto.
1800	-	-	187	-	227	-	-	-	—
1801	-	-	227	-	287	-	182	*a* 187	—
1802	-	-	177	180	-	-	-	-	Ditto to May, then 2s. 0 3/20d.
1803	-	-	220	231	-	-	-	-	Do. to 5 July, 2s. 3d.
1804	-	-	220	231	231	-	226	228	Do. to 1 June, then 2s. 6d.
1805	-	-	226	228	227	235	-	-	Do. 5 April, then 2s. 9d.
1806	-	-	227	230	218	-	228	-	Do. to 10 May, then 2s. 11d.
1807	-	-	213	-	200	203	260	288	Do. to 5 July, then 3s.
1808	-	-	267	280	520	525	450	475	Ditto.
1809	450	*a* 470	470	490	310	330	330	350	—
1810	-	-	310	330	250	260	-	-	—
1811	260	-	370	410	350	370	-	-	—
1812	350	370	390	410	-	-	330	370	—
1813	-	-	367	-	307	-	377	-	3s. 6¾d. per doz. lb.
1814	-	-	397	-	287	-	337	-	—
1815	-	-	360	-	347	-	-	-	—
1816	-	-	367	-	257	-	-	-	—
1817	260	-	-	287	227	-	267	-	—
1818	-	-	257	-	283	-	-	-	—
1819	-	-	283	-	230	-	-	-	3s. 7d.
1820	240	-	No price		No price		223	-	—
1821	216	-	-	-	-	-	230	-	—
1822	240	-	228	-	270	275	250	256	—
1823	270	-	290	-	300	-	310	-	—
1824	310	315	300	-	290	-	295	-	—
1825	290	295	290	295	300	315	300	315	—
1826	330	-	315	-	280	-	280	-	—
1827	280	-	280	-	240	260	275	280	—
1828	250	255	240	245	245	250	242 6	250	—
1829	250	255	250	255	250	255	245	250	—
1830	No price		No price		235	245	230	240	3s. 6d.
1831	230	240	250	260	265	270	240	250	—
1832	265	270	265	270	245	255	245	250	—
1833	245	250	240	255	240	255	260	275	—
1834	290	-	310	320	310	320	490	500	—
1835	400	460	420	450	400	440	400	440	—
1836	400	440	400	440	430	450	430	450	—
1837	430	450	410	430	400	410	400	410	—
1838	340	380	330	340	-	-	-	-	—

COFFEE, St. Domingo, for Exportation.

Cwt.								
s.	d.	s.	d.	s.	s.	s.	s.	s.	s.
-	-	-	-	-	-	None.			

COFFEE, British Plantation, in Bond, Superior.

Year	Cwt.								Duty.
	s.	s.	s.	s.	s.	s.	s.	s.	Cwt.
1782	76*a*	81	105*a*	116	-	-	75*a*	86	42*s.*
1783	72	83	57	66	-	-	63	72	—
1784	60	68	86	105	-	-	73	80	—
1785	-	-	73	79	71	76	-	-	—
1786	-	-	70	80	87	95	-	-	—
1787	-	-	88	96	97	100	-	-	—
1788	-	-	92	102	95	105	-	-	—
1789	-	-	98	106	95	100	-	-	—
1790	-	-	92	98	70	76	-	-	—
1791	-	-	71	79	95	105	-	-	—
1792	96	105	109	120	-	-	84	100	—
1793	90	107	96	115	-	-	94	105	—
1794	96	116	77	95	-	-	92	112	—
1795	94	112	122	145	-	-	112	132	—
1796	-	-	118	135	113	126	-	-	44*s.* 1½*d.*
1797	114	126	132	145	-	-	133	140	46*s.* 0⅝*d.*
1798	-	-	128	138	158	172	-	-	45*s.* 8⅘*d.*
1799	156	170	185	196	-	-	116	130	—
1800	116	130	130	165	118	150	126	150	—
1801	131	150	130	160	-	-	88	110	—
1802	88	110	96	128	-	-	93	115	—
1803	-	-	92	125	142	156	-	-	53*s.* 0¾*d.*
1804	133	150	156	170	-	-	142	156	53*s.* 11¼*d.*
1805	144	165	165	185	-	-	140	170	61*s.* 3¾*d.*
1806	143	177	152	195	110	145	122	150	65*s.* 8½*d.*
1807	118	146	132	160	-	-	112	130	—
1808	106	130	95	120	-	-	116	130	—
1809	110	130	105	128	-	-	113	138	65*s.* 4*d.*
1810	114	136	120	146	100	120	90	105	—
1811	-	-	75	95	54	73	-	-	—
1812	-	-	54	80	71	96	-	-	—
1813	90	116	80	105	-	-	116	132	July. 72*s.* 4*d.*
1814	118	142	96	118	105	125	96	115	—
1815	-	-	95	115	83	110	-	-	—
1816	84	110	77	104	-	-	83	107	—
1817	82	104	80	102	-	-	92	112	—
1818	99	115	160	180	-	-	146	163	—
1819	148	166	102	128	124	150	116	126	June. 1*s.* 1½*d.* lb.
1820	130	155	122	144	133	140	128	143	—
1821	125	138	120	136	131	148	112	132	—
1822	117	145	120	140	116	144	112	138	—
1823	112	136	115	140	99	126	87	122	—
1824	73	114	68	114	60	101	60	102	—
1825	65	103	78	120	67	100	66	98	—
1826	66	104	60	109	52	90	54	100	—
1827	58	105	56	105	55	90	47	88	—
1828	48	88	50	84	48	82	50	90	—
1829	50	88	48	88	46	78	46	84	—
1830	42	83	40	80	40	78	42	80	6*d.* per lb.
1831	46	84	47	84	55	82	81	99	—
1832	88	100	88	98	81	92	80	98	—
1833	75	94	84	105	95	120	91	114	—
1834	87	112	85	100	70	105	74	116	—
1835	81	124	86	119	95	126	96	120	—
1836	96	120	91	115	83	110	96	130	—
1837	106	117	106	117	103	124	108	123	—
1838	88	125	90	124	-	-	-	-	—

COFFEE, British Plantation, in Bond, Inferior.

Cwt.								Duty.
s.	s.	s.	s.	s.	s.	s.	s.	
62*a*	68	81*a*	100	-	-	60*a*	72	Same as Superior.
63	70	48	56	-	-	54	62	—
54	59	76	85	-	-	65	72	—
-	-	68	72	66*a*	70	-	-	—
-	-	65	70	78	86	-	-	—
-	-	78	86	86	96	-	-	—
-	-	86	90	90	94	-	-	—
-	-	92	96	88	93	-	-	—
-	-	86	90	56	66	-	-	—
-	-	59	70	85	95	-	-	—
85	95	100	108	-	-	70	83	—
73	88	83	95	-	-	78	93	—
85	95	66	76	-	-	74	90	—
72	92	98	118	-	-	100	110	—
-	-	103	116	100	112	-	-	—
104	110	112	130	-	-	120	132	—
-	-	120	126	146	157	-	-	—
146	155	170	184	98	115	-	-	—
98	115	115	128	95	115	110	125	—
115	130	105	128	-	-	60	86	—
60	80	70	95	-	-	68	92	—
-	-	76	90	120	140	-	-	—
110	130	140	155	-	-	120	140	—
125	140	140	163	-	-	115	136	—
115	142	125	150	80	100	100	120	—
90	117	95	130	-	-	70	108	—
68	105	60	94	-	-	90	115	—
85	109	75	102	-	-	76	110	—
70	112	75	115	68	94	60	85	—
-	-	38	74	25	52	-	-	—
-	-	20	50	30	70	-	-	—
50	85	40	75	-	-	70	110	—
80	114	60	96	66	103	60	95	—
-	-	60	98	50	81	-	-	—
48	83	56	72	-	-	50	82	—
-	-	54	80	74	96	-	-	—
76	98	122	153	-	-	112	145	—
110	145	78	100	88	119	80	115	—
90	128	86	120	110	132	100	125	—
105	124	108	130	105	120	73	110	—
70	116	104	118	90	115	80	110	—
75	110	70	108	58	90	50	82	—
60	78	52	72	52	59	50	59	—
50	64	60	76	56	67	50	64	—
50	65	44	58	40	51	40	53	—
40	57	40	55	40	53	35	46	—
34	50	33	52	30	52	31	50	—
31	48	34	46	30	45	24	44	—
25	40	25	38	28	40	30	42	—
32	45	35	47	46	54	72	80	—
80	87	80	87	73	80	66	79	—
62	74	67	83	80	94	70	90	—
65	86	63	84	50	67	56	70	—
56	79	56	80	78	94	80	95	—
80	95	75	90	67	82	72	95	—
60	93	60	100	60	100	65	103	—
63	86	64	88					

Year.	COCHINEAL, Spanish Garbled. Per lb.								Duty.	COPPER, British, in Cakes. Per Cwt.							
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.		s.	s.	s.	s.	s.	s.	s. d.	s.
1782	-	-	18 6	*a* 19 6	19 6	*a* 21 6	-	-	2½*d.*	-	-	83	*a* 86				
1783	19 6	*a* 21 3	21 6	23 0	-	-	13 6	*a* 15 6	—	-	-	83	86				
1784	13 6	15 0	12 0	13 6	13 6	15 0	12 0	14 6	—	-	-	80	83	83	*a* 86		
1785	-	-	12 0	14 0	13 0	14 6	-	-	—	83	-	78	-	82			
1786	13 0	14 6	12 6	13 0	14 0	16 0	-	-	—	-	-	82					
1787	14 6	16 6	13 0	15 0	-	-	17 0	19 6	—	82	-	80	-	72	76	80 0	
1788	16 0	18 6	18 0	21 0	-	-	14 0	16 6	3*d.*	-	-	80					
1789	14 0	16 6	12 0	14 0	-	-	13 0	15 0	—	80	-	76	-	80		84 0	
1790	12 6	15 6	15 0	18 6	-	-	13 6	15 6	—	-	-	84					
1791	13 3	15 3	12 0	14 6	14 0	16 0	13 0	15 0	—	84	-	86	-	-	-	90 0	
1792	-	-	13 0	15 0	12 0	14 6	-	-	—	-	-	86	-	105			
1793	12 6	14 6	13 6	15 6	-	-	12 0	14 0	—	-	-	105	110	112	114		
1794	-	-	12 6	14 0	12 0	13 3	-	-	—	None		till	August			109 6	
1795	12 6	14 0	18 0	19 0	-	-	15 6	16 0	Free.	-	-	109	6*d.*				
1796	-	-	15 6	18 0	14 0	15 0	-	-	—	-	-	109	6*d.*	120			
1797	-	-	15 0	17 0	23 0	25 0	-	-	—	-	-	120					
1798	28 0	30 0	52 0	54 0	26 0	29 0	-	-	10*d.*	-	-	120					
1799	29 0	30 0	45 0	46 0	-	-	18 0	21 0	—	-	-	120	-	140			
1800	18 0	20 0	16 6	19 0	-	-	24 0	27 0	—	-	-	140	-	160			
1801	-	-	24 0	27 0	15 0	19 0	-	-	—	-	-	160	-				
1802	-	-	14 0	19 0	16 0	18 0	-	-	—	160	-	{None 4 Months}		130	140	130 0	
1803	15 6	18 0	23 0	26 0	-	-	22 0	25 0	11½*d.*	-	-	130	140	140			
1804	22 0	25 0	18 0	20 0	-	-	26 0	29 0	1*s.* 0½*d.*	140	-	156	-	-	-	165 0	
1805	-	-	26 0	28 0	27 0	30 0	-	-	1*s.* 1*d.*	-	-	165	-	200			
1806	-	-	26 0	30 0	22 0	27 0	-	-	1*s.* 1¾*d.*	-	-	200	-	182			
1807	-	-	23 0	29 0	19 0	30 6	-	-	—	-	-	162	-	147			
1808	-	-	20 0	31 0	24 0	29 0	-	-	—	-	-	147	-	200			
1809	32 0	36 0	26 0	32 0	34 0	36 0	30 0	37 0	2*s.*	Uncertain		till	April	160			
1810	-	-	32 0	42 0	31 0	35 0	-	-	—	-	-	160	-		Uncertain.		
1811	-	-	31 0	35 0	29 0	31 0	-	-	—	-	-	150	156	140	146		
1812	-	-	30 0	32 0	29 0	31 0	-	-	—	-	-	140	146	130	135		
1813	-	-	32 0	35 0	48 0	51 0	-	-	2*s.* 4½*d.*	-	-	130	135				
1814	-	-	47 0	52 0	34 0	38 0	-	-	—	None	till	December		140	-	120 0	*a* 130
1815	32 0	35 0	37 0	40 0	-	-	30 0	36 0	—	-	-	130	140	120	130		
1816	30 0	34 0	23 0	28 0	-	-	28 0	33 0	—	-	-	120	130	{Uncer. to Nov.}		85 0	
1817	-	-	28 0	34 0	27 0	30 0	-	-	—	-	-	105	-	133			
1818	27 0	30 0	28 0	32 0	25 0	29 0	26 0	31 0	—	133	-	123	-	No price after April.			
1819	-	-	24 0	27 0	26 0	30 0	-	-	2*s.* 6*d.*			No price.					
1820	26 0	30 0	26 0	30 0	26 0	28 6	24 0	27 0	—	115	-	No price		No price		No price.	
1821	24 0	27 0	22 6	25 0	19 0	23 0	20 0	22 0	—	100	104	100	102	94	95	94 0	95
1822	20 0	23 0	19 0	23 0	19 0	22 0	18 0	21 0	—	100	105	105	-	95	-	102 0	108
1823	19 0	23 0	20 0	24 0	23 0	26 0	18 0	22 0	—	102	108	Uncertain		105	108	105 0	108
1824	16 0	20 0	18 0	20 0	16 0	20 0	16 0	18 0	—	102	105	105	108	100	105	100 0	105
1825	16 0	19 0	21 0	24 0	17 0	21 0	16 0	20 0	1*s.* Nov.	95	-	95	100	97	100	100 0	105
1826	16 0	20 0	16 0	20 0	13 6	15 6	14 6	18 0	6*d.* July.	105	-	110	115	115	120	126 0	
1827	14 6	18 0	13 0	18 0	12 0	16 0	12 6	14 0	—	126	-	115	-	103	-	105 0	
1828	12 6	14 0	10 0	12 6	10 0	12 6	10 6	12 9	—	105	-	97	-	106	112	103 0	
1829	10 0	12 0	9 0	11 0	9 0	11 0	9 0	11 6	—	103	-	96	-	96	98	90 0	93
1830	9 3	11 0	9 3	11 0	9 3	11 0	8 3	10 6	—	No price		88	90	88	90	88 0	
1831	8 0	10 0	7 4	9 0	7 4	9 6	6 6	8 6	—	88	-	86	88	86	88	86 0	88
1832	7 0	8 6	7 2	8 10	7 0	9 6	6 8	9 0	—	86	88	86	88	86	88	96 0	
1833	6 8	9 0	6 4	8 6	7 6	9 0	7 9	9 9	—	96	-	94	-	94	-	103 0	
1834	8 3	10 6	7 4	9 0	7 0	9 0	7 4	9 3	—	103	-	98	-	95	98	95 0	98
1835	7 6	9 3	8 4	10 0	7 6	10 0	7 0	8 10	—	94	98	91	-	91	-	91 0	
1836	7 0	9 0	7 1	9 0	7 2	9 6	6 8	8 8	—	95	-	103	105	114	115	106 0	108
1837	6 9	8 9	6 6	8 8	6 0	8 0	6 0	7 10	—	103	-	92	-	81	82	94 0	95
1838	6 4	8 0	6 4	8 6	-	-	-	-	—	92	-	91	-				

COTTON WOOL, West India, Surinam, &c. Demerara instead of Surinam from 1820.

Year.	Per lb.								Duty.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
1782	-	-	1 8	a3 0	2 0	a3 6	-	-	Free.
1783	-	-	1 9	3 0	1 1	1 10	-	-	—
1784	-	-	1 0	1 10	1 2	2 1	-	-	—
1785	1 2	a1 10	1 7	2 4	1 2	1 10	1 9	a2 3	—
1786	-	-	1 10	2 2	2 3	3 6	-	-	—
1787	2 0	3 6	1 7	2 8	2 0	2 10	1 9	2 6	—
1788	-	-	1 9	2 9	1 2	1 8	-	-	—
1789	1 2	1 8	1 0	1 7	-	-	1 2	1 10	—
1790	-	-	1 1	1 8½	1 0	1 9	-	-	—
1791	-	-	1 1	1 9	1 9	2 6	-	-	—
1792	1 9	2 6	1 8	2 0	-	-	1 9	2 3	—
1793	1 8	2 3	1 0	2 0	-	-	1 2	2 2	—
1794	1 2	2 2	1 1	1 10	-	-	1 3	1 11	—
1795	-	-	1 3	1 11	1 9	2 6	-	-	—
1796	-	-	1 9	2 6	1 7	2 4	-	-	—
1797	-	-	1 5	2 6	2 2	3 4	-	-	—
1798	-	-	2 1	3 4	2 6	3 4	-	-	8s. 9d. ℔ 100 lb.
1799	2 6	3 2	3 4	4 7	1 6	2 6	-	-	—
1800	1 8	2 9	2 3	3 2	-	-	2 0	2 11	—
1801	-	-	2 1	3 0	1 9	2 8	-	-	—
1802	1 9	2 9	1 3	2 1	-	-	1 5	2 3	—
1803	-	-	1 4	2 2	1 2	2 3	-	-	16s. 8d. ℔ 100 lb.
1804	-	-	1 0	2 1	1 6	2 4	-	-	—
1805	-	-	1 6	2 4	1 5	2 0	-	-	16s. 10½d.
1806	1 5	2 2	1 2	1 10	1 3	1 11	-	-	—
1807	-	-	1 3	1 10	1 2	1 9	-	-	—
1808	-	-	1 2	1 9	2 5	2 9	-	-	—
1809	2 6	3 0	1 2	1 8	-	-	1 7	2 0	16s. 11d. ℔ 100 lb.
1810	-	-	1 10	2 3	1 5	1 9	-	-	—
1811	1 5	1 9	0 9	1 3	1 2	1 5	-	-	—
1812	1 2	1 6	0 11	1 4	-	-	1 0	1 6	—
1813	-	-	1 0	1 8	2 0	2 6	-	-	—
1814	2 3	2 8	2 6	2 10	1 10	2 3	2 2	2 6	—
1815	1 9	2 4	1 6	2 1	1 11	2 8	1 6	2 0	July. 8s. 7d.
1816	-	-	1 7	2 0	1 4	1 10	-	-	—
1817	1 6	•1 11	2 0	2 1	-	-	1 6	1 11	—
1818	1 6	2 0	1 8	2 2	-	-	1 3	1 11	—
1819	1 3	1 11	0 11	1 3	1 0	1 6	0 11	1 3	July. 6s. 3d.
1820	1 1	1 5	0 11	1 4	1 1	1 4	0 8	1 2	—
1821	0 8½	1 1	0 7½	0 11½	0 9	1 1	0 8½	1 0½	—
1822	0 8½	1 0	0 8½	1 0½	0 7½	0 10½	0 7	0 11½	Free, July.
1823	0 8	0 10	0 8	0 10	0 10½	1 0½	0 11	1 0	—
1824	0 9	1 0	0 9	1 0	0 8½	1 0	0 8	0 11	—
1825	0 9	1 0½	0 11	1 4	1 6	1 11	0 8½	1 0	—
1826	0 8	1 0	0 7	0 10½	0 6½	0 10½	0 6½	0 10	—
1827	0 6½	0 10½	0 6½	0 10	0 6	0 9½	0 5½	0 8	—
1828	0 5½	0 8½	0 5½	0 8½	0 6	0 9½	0 6	0 8	4d. ℔ cwt.
1829	0 6	0 8½	0 6	0 8½	0 5½	0 7½	0 5	0 8	—
1830	0 5	0 8½	0 6	0 9½	0 6½	0 9½	0 6½	0 10	—
1831	0 6½	0 9½	0 6	0 8½	0 5½	0 9	0 5½	0 9	—
1832	0 5½	0 9	0 5½	0 8½	0 6½	0 8½	0 7½	0 10	½d. ℔ lb.
1833	0 6½	0 9½	0 7½	0 10½	0 8	0 11	0 9	1 3	½d. ℔ lb.
1834	0 8	0 10½	0 7½	1 1	0 8½	1 1	0 8½	0 11½	—
1835	0 11	1 2	0 9	1 2	0 10	1 4	0 9	1 2	—
1836	0 9	1 2	0 9½	1 3	0 10	1 4	0 9	1 3	—
1837	0 9	1 3	0 8	1 0	0 6	1 0½	0 5½	1 0	—
1838	0 7½	1 0	0 6	0 11½	-	-	-	-	—

COTTON WOOL, Bowed Georgia.

Per lb.									Duty.
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.		
-	-	-	-	None		-	-		Free.
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
-	-	-	-	-	-	-	-		—
1 8	a1 10	1 1	a1 4	-	-	1 3	a1 6		—
1 2	1 6	1 0	1 3	-	-	1 3	1 6		—
-	-	1 3	1 6	1 9	a2 3	-	-		—
-	-	1 8	2 5	1 0	2 3	-	-		—
-	-	1 0	2 3	2 1	3 1	-	-		—
-	-	1 10	3 0	2 5	3 9	-	-		6s. 6d. ℔ 100 lb.
2 5	3 9	3 6	5 0	-	-	1 5	2 8		—
1 6	3 0	1 4	2 10	-	-	1 6	3 0		—
-	-	1 6	3 2	1 5	2 11	-	-		—
1 5	3 0	0 10	2 8	-	-	1 0	3 2		—
1 1	1 3	0 8	1 0	-	-	1 0	1 2		16s. 8d. ℔ 100 lb.
-	-	0 10	1 0	1 4	1 6	-	-		—
-	-	1 5	1 7	1 2	1 4	-	-		16s. 10½d.
1 1	1 3	1 0	1 1	-	-	1 2	1 3		—
-	-	1 0	1 2	0 10	1 1	-	-		—
-	-	0 9	1 0	2 0	2 6	-	-		—
None		0 10	1 0	-	-	1 4	1 6		16s. 11d.
-	-	1 5	1 7	0 10	1 1	-	-		—
0 11	1 1	0 7	0 9	-	-	1 0	1 2		—
-	-	0 11	1 1	1 0	1 2	-	-		—
-	-	1 4	1 7	2 0	2 2	-	-		—
2 2	2 4	2 4	2 6	1 10	2 0	2 4	2 6		—
1 7	1 11	1 3	1 4	1 5	1 7	1 2	1 4		July 8s. 7d.
1 3	1 5	1 7	1 8	-	-	1 5	1 7		—
1 7	1 9	1 5	1 8	-	-	1 6	1 10		—
1 6	1 9	1 7	1 10	-	-	1 4	1 6		—
1 4	1 7	0 11	1 3	-	-	1 0	1 2		—
1 0	1 2	0 11	1 1	0 8	0 11½	0 10	1 0		—
0 8	0 10	0 7½	0 9½	0 9½	0 10½	0 9	0 11		6 ℔ Cent.
0 9	0 10½	0 8½	0 10	0 8½	0 9½	0 7	0 8½		—
0 7	0 9	0 7	0 10	0 7½	0 9½	0 9	0 10½		—
0 7½	0 9	0 7½	0 9	0 7½	0 9	0 7½	0 9		—
0 9	0 10½	0 11½	1 1	1 4	1 6½	0 8½	0 10½		—
0 7½	0 9½	0 7	0 8½	0 6½	0 7½	0 6½	0 7½		—
0 6½	0 7	0 6½	0 7½	0 6½	0 7½	0 5½	0 6½		—
0 5½	0 6½	0 5½	0 6½	0 6	0 7½	0 6	0 7½		—
0 6	0 7½	0 6	0 6½	0 5	0 6½	0 5	0 6½		—
0 5½	0 6½	0 6½	0 7½	0 6½	0 7½	0 6½	0 7½		—
0 6½	0 7½	0 5½	0 6½	0 5½	0 6½	0 5½	0 6½		—
0 5½	0 6½	0 5½	0 6½	0 6	0 7	0 6½	0 7½		½d. ℔ lb.
0 6½	0 7½	0 7	0 7½	0 8	0 9½	0 9	0 10		½d. ℔ lb.
0 7½	0 9½	0 7½	0 9½	0 8	0 9½	0 8	0 9½		—
0 9	0 10½	0 9	0 10½	0 10	1 0	0 9	0 11½		—
0 9	0 10½	0 9½	0 11	0 10½	1 0	0 7½	0 11½		—
0 7½	0 11½	0 7½	0 9½	0 6	0 8½	0 5½	0 7½		—
0 5½	0 7½	0 7	0 8						—

COTTON WOOL, Bengal and Surat.

Year	Per lb.										Duty.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
1782	- -	- -	- -	None			- -	- -	- -	- -	Free.
1783	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	—
1784	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	—
1785	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	—
1786	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	—
1787	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	—
1788	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	—
1789	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	—
1790	- -	- -	0 8	a 0 10	- -	- -	- -	- -	- -	- -	Free.
1791	- -	- -	0 8	0 9½	1 2	a 1 3	- -	- -	- -	- -	—
1792	1 2	a 1 3	0 11	1 0	- -	- -	1 3	a 1 4	- -	- -	—
1793	1 3	1 4	0 11	1 1	- -	- -	0 10	0 11	- -	- -	—
1794	0 10	0 11	0 9	0 11	- -	- -	0 10	0 11½	- -	- -	—
1795	- -	- -	0 11	1 1	1 5	1 10	- -	- -	- -	- -	—
1796	- -	- -	1 7	1 10	0 11	1 5	- -	- -	- -	- -	—
1797	- -	- -	0 10	1 5	1 8	1 11	- -	- -	- -	- -	—
1798	- -	- -	1 8	1 11	2 0	2 2	- -	- -	- -	- -	4 ℔ Cent.
1799	2 2	2 4	2 4	2 5		-	0 11	1 2	- -	- -	—
1800	- -	- -	0 10	1 4	1 3	1 6	- -	- -	- -	- -	—
1801	- -	- -	1 5	1 6	1 2	1 5	- -	- -	- -	- -	—
1802	1 3	1 6	0 10	1 2	- -	- -	1 0	1 4	- -	- -	—
1803	0 10	1 2	0 9	1 2	- -	- -	0 9	1 0	16*s.* 8*d.* ℔ 100 lb.		—
1804	- -	- -	0 8	0 10	0 10	1 3	- -	- -	- -	- -	—
1805	- -	- -	1 0	1 3	1 2	1 5	- -	- -	- -	- -	16*s.* 10½*d.* do.
1806	1 2	1 5	0 10	1 0	- -	- -	0 11	1 3	- -	- -	—
1807	- -	- -	0 10	1 2	0 11	1 3	- -	- -	- -	- -	—
1808	- -	- -	0 9	1 1	1 5	1 9	- -	- -	- -	- -	—
1809	1 5	1 9	0 9	1 2	- -	- -	1 0	1 4	16*s.* 11*d.* do.		—
1810	- -	- -	1 1	1 6	0 6	0 9	- -	- -	- -	- -	—
1811	0 7	0 9	0 4	0 7	- -	- -	0 6	0 8	- -	- -	—
1812	- -	- -	0 6	0 8	0 8	0 10	- -	- -	- -	- -	—
1813	0 9	0 11	0 10	1 3	- -	- -	0 10	1 6	- -	- -	—
1814	1 0	1 6	1 1	1 5	0 10	1 0	1 2	1 6	- -	- -	—
1815	0 10	1 5	0 7	0 11	0 10	1 2	- -	- -	July. 8*s.* 7*s.*		—
1816	- -	- -	0 11	1 3	1 0	1 5	- -	- -	- -	- -	—
1817	0 10	1 3	0 8	1 1	- -	- -	0 10	1 4	- -	- -	—
1818	0 10	1 4	0 9½	1 3	- -	- -	0 6	1 1	- -	- -	—
1819	0 6½	1 0½	0 5	0 10	- -	- -	0 6½	0 11	- -	- -	—
1820	0 6½	0 10	0 5	0 9½	0 6	0 9½	0 5½	0 7½	- -	- -	—
1821	0 5	0 8½	0 5½	0 8	0 5½	0 7½	0 5½	0 8½	6*s.* 3*d.*		—
1822	0 5½	0 8	0 5½	0 7½	0 5	0 7½	0 4½	0 6	- -	- -	—
1823	0 5	0 7	0 5	0 6½	0 5½	0 7½	0 5½	0 7½	6 ℔ Cent.		—
1824	0 5½	0 7	0 5½	0 6½	0 5½	0 7	0 5	0 6½	- -	- -	—
1825	0 5½	0 7½	0 7½	0 11	0 10	1 1	0 5½	0 7	- -	- -	—
1826	0 5½	0 6½	0 4½	0 5½	0 4	0 5	0 4½	0 5½	- -	- -	—
1827	0 4½	0 5½	0 4½	0 5½	0 4	0 5½	0 3½	0 5	- -	- -	—
1828	0 3½	0 4½	0 3	0 4½	0 3½	0 4½	0 3½	0 4½	August. 4*d.* cwt.		—
1829	0 3½	0 4½	0 3½	0 4½	0 3	0 4½	0 3½	0 4½	- -	- -	—
1830	0 3½	0 5½	0 4	0 5½	0 4½	0 6	0 4½	0 6½	- -	- -	—
1831	0 4½	0 6	0 4	0 5½	0 4	0 5½	0 4	0 5½	- -	- -	—
1832	0 3½	0 5½	0 4	0 5½	0 4	0 5½	0 4½	0 6	- -	- -	—
1833	0 4½	0 6	0 4½	0 6	0 5½	0 7	0 6½	0 8½	- -	- -	—
1834	0 5½	0 7	0 5½	0 7½	0 5½	0 7½	0 5½	0 7½	- -	- -	—
1835	0 6½	0 8½	0 7	0 8½	0 6½	0 8	0 5½	0 8	- -	- -	—
1836	0 5½	0 7½	0 5½	0 7½	0 4½	0 7½	0 3½	0 8½	- -	- -	—
1837	0 4	0 7½	0 3½	0 6½	0 2½	0 5½	0 3½	0 5½	- -	- -	—
1838	0 4	0 6½	0 4½	0 5½	- -	- -	- -	- -	- -	- -	—

COTTON WOOL, Pernambuco.

Per lb.								Duty.
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
- -	- -	- -	- -	None		- -	- -	Free.
- -	- -	- -	- -	- -	- -	- -	- -	—
- -	- -	- -	- -	- -	- -	- -	- -	—
- -	- -	- -	- -	- -	- -	- -	- -	—
- -	- -	- -	- -	- -	- -	- -	- -	—
- -	- -	- -	- -	- -	- -	- -	- -	—
- -	- -	- -	- -	- -	- -	- -	- -	—
- -	- -	2 1	a 2 7	1 6	a 1 9	- -	- -	—
1 6	a 1 8	1 4	1 6	- -	- -	1 7	a 1 10	—
1 7	1 8	1 8	1 10	- -	- -	1 7	1 8	—
- -	- -	1 6	1 8½	2 5	2 7	- -	- -	—
2 5	2 6	1 10	2 0	- -	- -	2 1	2 3	—
2 1	2 3	1 9	2 0	- -	- -	1 11	2 1	—
1 11	2 1	1 6	1 8	- -	- -	1 9	1 11	—
- -	- -	1 9	1 11	2 3	2 6	- -	- -	—
- -	- -	2 3	2 6	1 10	2 1	- -	- -	—
- -	- -	1 11	2 2	3 2	3 5	- -	- -	—
- -	- -	3 2	3 4	3 1	3 5	- -	- -	12*s.* 6*d.* ℔ 100 lb.
2 11	3 2	4 2	4 8	- -	- -	2 5	2 8	—
2 9	3 0	2 11	3 1	- -	- -	2 9	2 11	—
- -	- -	2 9	2 11	2 8	3 0	- -	- -	—
- -	- -	2 8	2 11	2 0	2 5	- -	- -	—
- -	- -	2 0	2 4	2 2	2 5	- -	- -	25*s.* do.
2 0	2 3	1 9	2 0	- -	- -	2 3	2 6	—
- -	- -	2 3	2 6	1 11	2 0	- -	- -	25*s.* 3¾*d.* do.
1 11	2 0	1 8	1 9	- -	- -	1 11	2 0	—
- -	- -	1 9	1 10	1 10	1 11	- -	- -	16*s.* 10½*d.* do.
- -	- -	1 9	1 11	2 9	2 10	- -	- -	—
2 10	2 11	1 8	1 10	- -	- -	2 0	2 3	16*s.* 11*d.* do.
- -	- -	2 1	2 3	1 9	1 10	- -	- -	—
1 9	1 10	1 2	1 3	- -	- -	1 6	1 7	—
- -	- -	1 5	1 8	1 6	1 7	- -	- -	—
- -	- -	1 11	2 0	2 8	2 10	- -	- -	—
2 10	3 0	2 2	2 5	- -	- -	2 7	2 9	—
2 2	2 4	2 0	2 2	2 7	2 9	1 10	2 1	July. 8*s.* 7*d.*
2 2	2 3	2 4	2 5	- -	- -	1 10	1 11	—
1 9	1 11	2 0	2 1	- -	- -	1 11	2 0	—
1 11	2 0	2 0	2 2	- -	- -	1 9½	1 11	—
- -	- -	1 9	1 11	1 4½	1 5	- -	- -	—
1 5	1 6	1 4	1 5	1 3	1 3½	1 0	1 1½	—
1 0½	1 1½	1 1	1 2½	1 0	1 1	1 0½	1 1½	6 ℔ Cent.
1 0½	1 1½	1 0	1 1	0 10	0 11	0 11½	1 0½	—
0 11½	1 0½	1 0	1 1	0 11½	1 0	0 11½	1 0½	—
0 11	1 0	0 11	1 0	0 11	0 11½	0 11	1 0	12 ℔ Cent.
1 1	1 1½	1 4	1 5	1 8	1 11½	1 0	1 1½	—
1 0	1 1½	0 11	0 11½	0 10½	0 11½	0 10½	0 10½	—
0 10½	0 11	0 10	0 10½	0 8½	0 9½	0 8½	0 9	—
0 8½	0 9	0 7½	0 8½	0 8½	0 8½	0 8	0 8½	—
0 7½	0 8½	0 7½	0 7½	0 7½	0 7½	0 7	0 7½	—
0 7½	0 8½	0 7½	0 8½	0 7½	0 8½	0 7½	0 8½	—
0 8	0 8½	0 7½	0 8	0 7½	0 8½	0 7½	0 8½	—
0 7½	0 8½	0 7½	0 8½	0 8½	0 9½	0 9½	0 10½	¼*d.* ℔ lb.
0 9	0 10	0 9½	0 10½	0 10	0 11	0 11	1 0	5/16*d.* do.
0 9½	0 10½	0 9½	0 11	0 10½	1 0	0 10½	1 0	—
1 1	1 2½	1 1	1 2	1 3½	1 4½	1 1	1 2	—
1 1	1 1½	1 1	1 2	1 2	1 3	1 0	1 2	—
1 0	1 2	0 11	1 0	0 8½	0 10	0 8½	0 9½	—
0 8½	0 9½	0 9½	0 10½					—

FLAX, St. Petersburg, 12 Head till 1833, then 9 Head.									HEMP, St. Petersburg, Clean.								
Year.	Per Ton.							Duty.	Per Ton.								Duty.
	£	£	£	£	£	£	£	£		£	£	£	£	£	£	£	℔ Cwt.
1782	-	-	36	*a* 38	44	*a* 48	-	-	Free	-	-	31½	*a* 33	33½	*a* 36	-	-	3*s.* 8*d.*
1783	-	-	46	50	40	43	-	-	—	-	-	34	37	24½	27½	-	-	—
1784	-	-	40	41	45	47	-	-	—	-	-	21½	23½	29½	32½	-	-	—
1785	-	-	46	48	36	40	-	-	—	-	-	22	24	21	23	-	-	—
1786	-	-	38	42	45	47	-	-	—	-	-	16	17	32	34	-	-	—
1787	41	*a* 46	38	40	-	-	44	46	—	31	34	28	30	-	-	33	39	—
1788	44	45	30	39	-	-	42	43	—	39	40	28	29	-	-	30	31	—
1789	-	-	43	44	48	49	-	-	—	28	29	30	31	-	-	26	27	—
1790	45	47	47	48	-	-	44	45	—	26½	27	30	31	-	-	23	24	—
1791	-	-	41	42	35	37	-	-	—	-	-	25	26	20	21	-	-	—
1792	-	-	35	37	31	32	-	-	—	-	-	23	25	24	26	-	-	—
1793	31	32	36	39	uncertain		33	35	—	26	27	22	23	-	-	26	27	—
1794	33	35	28	32	-	-	38	42	—	-	-	27	28	29	30	-	-	—
1795	-	-	38	42	54	56	-	-	—	-	-	32	33	43	45	-	-	—
1796	-	-	52	55	54	57	-	-	—	-	-	50	51	58	59	-	-	4*s.* $0\frac{8}{20}$*d.*
1797	54	57	uncertain		44	45	48	50	—	53	54	37	39	-	-	43	44	4*s.* $2\frac{12}{20}$*d.*
1798	51	53	49	50	-	-	52	54	{ 21*s.* 8*d.* / ℔ Ton. }	35	37	32	34	38	41	-	-	5*s.* 2*d.*
1799	52	54	62	64	uncertain		66	69	—	-	-	34	37	46	47	-	-	—
1800	64	67	70	71	-	-	62	66	—	-	-	50	51	72	77	-	-	—
1801	73	74	78	79	57	58	64	66	—	80	81	85	86	-	-	43	45	—
1802	65	66	63	64	-	-	76	78	—	43	45	31	32	-	-	50	51	—
1803	-	-	83	84	78	82	-	-	3$\frac{6}{8}$*d.* ℔ cwt.	50	51	54	55	-	-	52	53	6*s.* 2½*d.*
1804	-	-	80	82	82	83	-	-	3$\frac{6}{8}$*d.*	-	-	47	48	52	53	-	-	6*s.* 10½*d.*
1805	80	82	70	74	-	-	72	75	4*d.*	54	56	48	51	-	-	56	57	7*s.*
1806	71½	72½	63	64	-	-	67	68	4½*d.*	57	58	51	52	-	-	57	58	7*s.* 5½*d.*
1807	68	70	72	75	65	68	75	80	—	62	63	57	58	-	-	65	66	—
1808	-	-	75	80	140	142	-	-	—	67	68	117	118	-	-	114	115	—
1809	140	142	Uncertain		105	107	98	100	4*d.*	117	118	Uncertain		94	95	71	72	7*s.* 8*d.*
1810	98	100	68	70	-	-	71	72	—	75	76	57	58	-	-	68	72	—
1811	-	-	72	74	100	105	-	-	—	-	-	68	70	81	85	-	-	—
1812	103	105	95	100	-	-	103	108	—	-	-	82	86	99	102	-	-	—
1813	100	102	75	78	96	100	83	90	4¾*d.*	81	87	72	74	77	78	72	73	9*s.* 1½*d.*
1814	83	90	63	68	68	72	-	-	—	72	73	41	43	-	-	45	47	—
1815	70	72	76	78	-	-	68	70	—	45	48	49	51	-	-	33	34	—
1816	68	70	43	45	-	-	50	52	—	35	36	30	33	-	-	35	36	—
1817	-	-	52	54	69	70	-	-	—	33		30		-	-	35		—
1818	69	70	65	66	-	-	70	72	—	38	39	39	40	-	-	36	37	—
1819	55	59	50	51	60	61	49	50	5*d.*	36	37	32	33	-	-	33	34	9*s.* 2*d.*
1820	50	55	48	50	50	53	52	54	5*s.*	34	35	35	35½	32	33	30	30½	—
1821	52	53	49	50	46	47	50	52	—	29	30	29	30	27	27½	39	41	—
1822	50	52	48	50	44	45	49	50	—	41½	43	28	30	27		30	31	—
1823	50	51	58		54	55	54		8*s.* 4*d.* Dec.	30		31		29		37		—
1824	48	50	46	48	43	44	47	49	—	37½	37½	37		35	35½	36½		—
1825	48	50	49	51	42	44	44	45	—	42		41	42	40	41	44		—
1826	42		33		32		36		4*d.*	43	43½	41	41½	38½	39	40½	41	4*s.* 8*d.*
1827	37	37½	38½	39	37		35		Nov. 3. 3*d.*	40½	41	42	42½	41		39		—
1828	36	36½	35	35½	34	35	33	33½	—	39½	39½	38½	38½	39½	40	41		—
1829	36	36½	37	37½	34	35	35	36	—	38½	39	38	38½	39½	40	43½	45	—
1830	36		37½	38	45		46	48	—	45		43½	44	39	40	38	40	—
1831	45	48	50	51	51	52	51		1*d.*	37½	39	38½	39½	40	42	37	37½	—
1832	51		44	45	42	44	42	44	—	37½	37½	36	36½	34½	35	27		1*d.* Aug.
1833	-	-	39		*39		39		—	27	28	25½	26½	24	24½	25½	26	—
1834	45		50		46		50		—	24	24½	25½		24½		24	24½	—
1835	60		-	-	-	-	51		—	24½	25	26	26½	24½	25	25	25½	—
1836	-	-	-	-	-	-	46		—	26½	27	27½	28½	27	27½	30	31	—
1837	46		46		35		38	39	—	31	31½	33½		30		28½	29	—
1838	35	39	35	39	-	-	-	-	—	29	29½	29	29½					

HOPS, Kent Yearlings, including Duty.

Year.	Cwt.								Duty.
	s.	s.	s.	s.	s.	s.	s.	s.	£
1782	-	-	30	a 90	70	a 135	-	-	14,896
1783	-	-	120	210	90	125	-	-	75,717
1784	-	-	80	126	70	105	-	-	94,390
1785	80	a 118	96	120	76	108	-	-	112,684
1786	70	107	50	68	-	-	40	a 76	95,974
1787	-	-	80	105	160	200	-	-	48,227
1788	189	240	220	340	-	-	120	160	145,168
1789	110	155	150	170	-	-	115	130	104,562
1790	-	-	95	120	60	80	-	-	106,541
1791	-	-	80	120	105	140	80	105	90,059
1792	80	105	50	60	-	-	56	105	162,113
1793	56	112	140	230	-	-	120	200	22,620
1794	-	-	200	252	50	80	-	-	205,063
1795	-	-	70	105	90	120	-	-	82,349
1796	-	-	84	105	56	75	-	-	75,224
1797	94	130	130	175	-	-	100	112	157,439
1798	90	115	164	180	-	-	-	-	56,032
1799	-	-	210	215	300	378	-	-	73,280
1800	320	353	235	300	-	-	310	360	72,928
1801	-	-	220	320	50	86	-	-	241,227
1802	76	110	210	252	-	-	130	180	{ Old 15,464 }
1803	-	-	205	230	90	100	-	-	190,205
1804	92	126	110	130	-	-	60	84	177,617
1805	74	105	120	147	-	-	95	116	32,904
1806	-	-	116	155	86	102	-	-	153,103
1807	-	-	88	115	120	150	-	-	100,072
1808	-	-	112	140	60	80	-	-	251,090
1809	75	115	84	135	-	-	60	110	63,952
1810	90	147	76	125	-	-	95	140	73,514
1811	115	192	130	160	-	-	100	147	157,086
1812	120	160	140	230	-	-	260	280	30,633
1813	260	360	340	420	-	-	200	240	131,481
1814	140	200	160	189	-	-	140	175	140,202
1815	160	215	180	280	-	-	168	250	123,879
1816	-	-	120	180	280	360	-	-	46,303
1817	290	400	500	640	340	500	600	700	65,522
1818	-	-	540	640	110	185	-	-	199,465
1819	-	-	112	180	76	100	-	-	242,076
1820	76	100	70	95	80	112	70	100	138,330
1821	70	110	63	90	63	90	63	105	154,610
1822	63	112	80	112	60	90	60	105	203,725
1823	60	100	50	100	105	160	120	155	26,058
1824	210	360	189	315	126	168	146	180	148,832
1825	140	180	147	189	315	357	380	400	24,317
1826	280	420	200	340	160	260	80	114	269,331
1827	84	112	90	112	105	140	84	96	140,848
1828	84	130	84	130	75	105	90	140	172,027
1829	90	147	90	140	126	145	147	240	39,866
1830	140	240	147	210	147	224	150	315	88,047
1831	150	315	150	315	150	320	75	168	174,864
1832	100	168	100	168	100	160	115	230	133,018
1833	140	230	110	240	95	140	140	210	156,905
1834	112	210	-	-	-	-	112	189	189,714
1835	-	-	-	-	112	189	75	140	235,207
1836	90	140	89	152	70	90	105	210	200,333
1837	95	189	84	168	75	130	84	126	178,578
1838	78	140	84	140	-	-	-	-	- -

LEAD, English, in Pigs.

Per Fodder, 19½ Cwt.												
£	s.	£	£	s.	£	s.	£	s.	£	s.	£	
-	-		18	0	-		19	0				
-	-		20	5	-		17	10				
-	-		16	0	a 17	5	18	0	a 18	5		
-	-		18	5	-		17	10				
-	-		17	10	-		18	10				
-	-		18	10	-		22	10				
-	-		22	10	-		24	0	-		22	10
-	-		22	10	-		20	5				
-	-		19	5	-		18	15				
-	-		18	15	-		20	15				
-	-		20	15	-			5				
-	-		20	15	-							
-	-		20	15	-		18	0				
-	-		17	5	-		21	0				
-	-		21	10	-		20	10				
-	-		19	10	-							
-	-		19	10	-		19	0				
-	-		20	10	-		21	0				
-	-		22	10	-		25	0				
-	-		25	0	-		28	0				
-	-											
-	-		28	0	-		33	10				
-	-		33	10	-		33	0				
-			33	0	-							
34	10		40	0	-		39	0	-		41	0
-	-		41	0	-		38	0				
-	-		38	0	-		30	0				
-	-		28	0	-		43	0				
-	-		43	0	-		38	0				
35	0		38	0	-		-		-		33	0
-			33	0	34	0	27	10				
27	10		30	0	-		-		-		29	0
29	0		29	0	31	0	29	0	30	0		
30	0	32	33	0	34	0	-		-		28	0 30
-			28	0	-		25	0				
25	0		18	0	-		-		-		19	0
19	0		18	0	-		-		-		26	0
-			26	0	-		24	0			26	0
27	0		23	0	-		-		-		28	0
23	10		23	0	-		23	0	-		23	10
23	10		23	0	-		22	10	-		22	10
23	0		23	0	-		22	10	-		23	0
23	0		-		-		-		-		23	0
23	10		23	10	-		23	10	-		23	0
24	0		29	0	-		30	0	-		26	0
25	0		22	0	-		23	0	-		21	0
21	10		21	5	-		20	5	-		19	5
19	5		19	0	-		19	0	-		18	10
18	10		17	10	-		17	10	-		15	0
14	0		13	10	-		14	5	-		15	0
14	15		14	15	-		15	0	-		14	0
14	0		12	10	-		14	0	-		13	10
13	0		14	0	-		14	0	-		15	5
16	10		17	15	-		17	10	-		18	5
18	15		18	15	-		18	10	-		19	0
20	5		27	15	-		27	10	-		24	10
23	10		23	5	-		18	5	-		20	0
20	0		21	15	-							

INDIGO, East India, Superior.

Year	Per lb.												Duty.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
1782	- -	6 6	a 8 0	9 0	a 10 6	- -	- -	6 0	a 7 6				—
1783	- -	7 0	10 0	6 0	8 0	- -	- -						—
1784	- -	7 6	9 0	6 0	7 0	- -	- -						—
1785	- -	7 0	8 0	5 6	6 3	- -	- -						—
1786	- -	6 0	7 0	5 6	6 6	- -	- -						—
1787	7 0	a 8 0	9 0	9 6	- -	- -	6 0	a 7 6					—
1788	- -	6 6	8 0	6 3	7 9	- -	- -						Free
1789	- -	7 6	8 0	8 0	10 0	- -	- -						—
1790	- -	7 6	9 0	5 9	8 6	- -	- -						—
1791	- -	7 0	9 0	8 0	10 6	- -	- -						—
1792	- -	9 0	10 6	8 6	10 0	- -	- -						—
1793	7 6	8 3	8 6	10 6	- -	- -	8 0	9 6					—
1794	- -	7 6	9 6	8 6	10 6	- -	- -						—
1795	- -	8 6	10 6	6 9	7 9	- -	- -						—
1796	- -	9 6	11 0	7 0	9 0	- -	- -						—
1797	- -	6 0	10 0	7 0	11 6	- -	- -						—
1798	- -	8 6	10 6	11 0	13 6	- -	- -						—
1799	- -	7 0	8 6	11 0	13 9	- -	- -						—
1800	- -	8 0	9 6	9 6	12 0	- -	- -						—
1801	- -	8 0	11 6	9 9	11 3	- -	- -						—
1802	- -	9 0	10 6	- -	- -	- -	- -						—
1803	- -	9 0	10 9	9 6	11 3	- -	- -						{11s. 8½d. per 100lb}
1804	- -	9 6	11 3	10 0	12 0	- -	- -						13s. 0½d.
1805	10 0	12 0	10 0	13 3	- -	- -	10 6	14 0					13 3½
1806	- -	11 0	14 0	11 0	14 6	- -	- -						14 1½
1807	- -	11 6	14 6	9 6	12 0	- -	- -						14 4
1808	9 6	12 0	10 0	11 9	9 0	11 3	- -	- -					—
1809	9 6	11 2	9 3	10 1	8 9	10 0	9 6	12 0					—
1810	9 6	12 6	10 6	14 0	- -	- -	9 6	12 0					—
1811	10 0	12 0	8 0	9 6	- -	- -	8 6	10 6					—
1812	9 6	11 6	9 0	11 0	- -	- -	9 6	11 6					—
1813	- -	9 6	11 6	12 0	16 0	- -	- -						—
1814	- -	12 0	16 0	11 0	13 6	- -	- -						2½d. per lb.
1815	10 6	12 9	10 0	12 0	- -	- -	9 0	11 0					—
1816	- -	9 0	11 0	8 9	10 6	- -	- -						—
1817	9 0	11 0	8 6	10 0	9 6	11 6	9 0	10 0					—
1818	- -	8 9	10 0	7 3	9 0	- -	- -						—
1819	- -	7 3	9 0	7 0	9 0	- -	- -						5d.
1820	7 0	9 0	5 6	7 10	6 4	8 0	6 4	8 0					—
1821	6 4	8 0	6 3	8 3	8 0	11 9	8 0	11 9					—
1822	8 0	10 9	8 0	10 9	8 0	11 0	9 0	12 0					—
1823	8 0	12 9	9 0	10 9	7 6	9 0	7 0	9 2					—
1824	6 9	9 0	8 3	11 9	10 9	13 0	10 0	13 6					—
1825	10 6	15 0	12 0	16 0	10 0	12 6	11 9	15 9					4d. July
1826	11 0	15 0	7 6	11 0	7 0	10 6	8 4	11 10					3d. per lb.
1827	10 6	13 0	10 6	13 4	11 3	13 10	10 0	13 0					—
1828	9 9	13 0	9 0	10 9	7 9	10 0	8 11	10 0					—
1829	8 11	10 0	8 8	10 3	8 3	9 8	6 9	8 9					—
1830	6 9	8 9	7 0	11 0	6 6	8 0	6 6	7 8					—
1831	6 6	7 8	6 0	7 6	6 6	7 2	5 3	6 3					—
1832	5 3	6 3	5 0	6 0	5 0	6 2	4 10	6 0					—
1833	4 10	6 0	4 10	6 0	4 6	6 0	6 0	8 0					—
1834	6 0	8 0	5 9	6 11	5 9	6 11	5 0	6 3					—
1835	4 9	6 3	6 3	7 6	6 3	7 6	5 9	6 3					—
1836	5 2	6 3	5 9	7 1	6 6	7 9	6 4	8 0					—
1837	6 4	8 6	6 6	8 0	6 0	7 6	7 0	8 0					—
1838	7 4	8 6	7 0	8 6	- -	- -	- -	- -					—

INDIGO, East India, Inferior.

Per lb.								Duty.
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
- -	- -	4 0	a 5 6	6 0	a 6 6	- -	- -	1½d. per lb.
- -	- -	4 0	5 0	6 0	7 0	- -	- -	—
- -	- -	6 0	7 0	2 0	3 0	- -	- -	—
- -	- -	4 0	6 3	1 9	3 6	- -	- -	—
- -	- -	2 6	4 6	3 0	4 0	- -	- -	—
4 6	a 6 6	0 3	0 5	0	- -	- -	2 9	a 4 6 —
- -	- -	2 9	5 0	2 3	4 6	- -	- -	Free
- -	- -	5 0	6 0	6 0	7 0	- -	- -	—
- -	- -	1 6	2 9	3 0	4 6	- -	- -	—
- -	- -	5 0	6 0	7 0	8 0	- -	- -	—
- -	- -	7 0	8 6	7 0	8 0	- -	- -	—
6 0	7 0	5 0	6 0	- -	- -	5 9	6 6	—
- -	- -	3 6	6 0	4 0	7 6	- -	- -	—
- -	- -	5 0	7 6	4 0	6 9	- -	- -	—
- -	- -	4 0	8 6	2 6	6 6	- -	- -	—
- -	- -	1 9	5 0	3 9	6 6	- -	- -	—
- -	- -	3 9	8 0	4 9	10 0	- -	- -	—
- -	- -	3 9	6 6	4 0	10 6	- -	- -	—
- -	- -	3 6	7 6	4 9	9 0	- -	- -	—
- -	- -	4 9	8 0	6 9	9 0	- -	- -	—
- -	- -	6 6	8 6	- -	- -	- -	- -	—
- -	- -	7 0	8 9	6 0	9 0	- -	- -	{11s. 8½d. per 100lb}
- -	- -	6 0	9 0	7 0	9 6	- -	- -	13s. 0½d.
8 6	9 6	6 6	9 6	- -	- -	8 3	10 0	13 3½
- -	- -	8 5	10 6	4 0	10 0	- -	- -	14 1½
- -	- -	4 0	10 0	3 0	9 0	- -	- -	14 4
3 0	9 0	4 6	9 6	- -	- -	3 6	8 6	—
3 6	9 3	4 0	9 2	2 6	7 0	4 0	9 0	—
4 6	9 0	6 0	10 0	- -	- -	4 0	9 0	—
3 6	9 6	2 6	7 6	- -	- -	3 0	7 6	—
3 9	8 0	3 6	8 0	- -	- -	4 0	9 0	—
4 6	9 0	3 9	8 6	- -	- -	6 0	11 6	—
- -	- -	7 0	11 6	5 0	10 6	- -	- -	2½d. per lb.
5 0	10 0	3 6	9 6	- -	- -	4 0	8 9	—
- -	- -	4 0	8 9	2 0	7 6	- -	- -	—
3 6	8 6	3 6	8 0	5 6	9 0	5 3	8 9	—
- -	- -	5 3	8 6	4 8	7 0	- -	- -	—
- -	- -	4 8	7 0	3 6	6 6	- -	- -	5d.
3 6	6 6	2 10	5 0	2 10	5 0	3 9	6 0	—
3 9	6 0	3 9	6 0	3 9	6 0	5 6	7 0	—
5 6	7 9	5 6	7 6	6 0	7 6	5 9	8 6	—
6 0	7 6	8 0	9 0	6 0	7 3	5 8	7 0	—
4 2	5 0	4 0	7 3	3 0	4 3	0 9	9	—
3 6	10 0	3 6	11 6	6 0	9 6	5 0	11 3	4d. July
4 0	11 0	3 0	7 6	2 6	6 6	3 0	8 2	3d. per lb.
3 0	10 4	3 0	10 4	3 0	11 2	3 5	9 9	—
3 5	9 0	3 5	8 0	2 3	7 0	2 10	8 0	—
2 10	8 0	3 0	8 0	2 2	7 6	1 9	6 0	—
1 9	6 0	3 0	6 9	2 6	6 3	2 9	6 4	—
2 9	6 4	2 7	5 10	3 0	6 4	3 0	5 2	—
1 9	5 2	2 0	5 0	2 3	5 0	2 2	4 9	—
2 2	4 9	2 0	4 9	2 8	4 4	2 10	6 0	—
2 10	5 10	3 1	5 9	3 1	5 9	3 0	5 0	—
3 2	4 9	3 0	6 3	3 4	5 10	3 0	5 8	—
3 0	5 0	3 0	6 0	4 0	6 3	4 0	6 4	—
4 0	6 4	3 6	6 4	3 0	5 10	3 3	6 10	—
3 6	7 3	3 6	7 0					—

Year.	IRON, English, in Pigs. Per Ton.										IRON, Russia, in Bond. Per Ton.								Duty.
	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	℔ Ton.
1782	-	-	6 0	*a* 7 10	-	-	-	-	-	-	-	-	16 15	-	15 15	-	-	-	56*s.* 2*d.*
1783	-	-	6 0	7 10	4 0	*a* 6 10	-	-	-	-	-	-	15 15	-	10 15	-	-	-	—
1784	-	-	4 10	6 10	3 0	4 0	-	-	-	-	-	-	10 15	-	15 10	-	-	-	—
1785	-	-	3 0	5 0	5 0	6 10	-	-	-	-	-	-	12 15	-	14 15	-	-	-	—
1786	-	-	5 0	6 10	3 0	5 0	-	-	-	-	-	-	14 0	-	14 15	-	-	-	—
1787	-	-	3 0	5 0	4 10	6 0	-	-	-	-	-	-	14 15	-	15 5	-	-	-	—
1788	-	-	3 0	5 0	3 0	7 0	-	-	-	-	-	-	15 0	-	13 15	-	-	-	—
1789	-	-	3 0	7 0	4 0	7 0	-	-	-	-	-	-	13 15	-	14 5	-	-	-	—
1790	-	-	3 0	7 0	5 10	7 10	-	-	-	-	-	-	13 0	-	15 0	-	-	-	—
1791	-	-	5 10	7 10	5 0	7 5	-	-	-	-	-	-	14 15	-	14 10	-	-	-	—
1792	-	-	5 0	7 10	-	-	-	-	-	-	14 15	-	15 10	-	-	-	14 10	-	—
1793	-	-	5 0	7 10	-	-	-	-	-	-	14 0	-	15 0	-	-	-	15 10	-	—
1794	-	-	5 0	8 0	-	-	-	-	-	-	12 10	-	15 10	-	-	-	12 0	-	—
1795	-	-	5 0	8 0	-	-	-	-	-	-	-	-	13 0	*a* 15 10	16 0	*a* 17 0	-	-	—
1796	-	-	5 0	8 0	-	-	-	-	-	-	-	-	16 5	17 5	21 5	22 5	-	-	61*s.* 9$\frac{8}{20}$*d.*
1797	-	-	5 0	8 0	-	-	-	-	-	-	-	-	20 0	21 0	20 0	20 10	-	-	64*s.* 7$\frac{2}{20}$*d.*
1798	-	-	5 0	8 0	-	-	-	-	-	-	-	-	20 5	21 10	19 15	20 5	-	-	75*s.* 5$\frac{2}{20}$*d.*
1799	-	-	5 0	8 0	-	-	-	-	-	-	-	-	20 0	21 10	-	-	-	-	—
1800	-	-	5 0	8 0	5 10	9 0	-	-	-	-	-	-	17 0	21 0	21 10	23 10	-	-	—
1801	-	-	5 10	9 0	-	-	-	-	-	-	22 10	*a* 23 10	23 10	26 10	-	-	18 0	*a* 22 10	—
1802	-	-	5 10	9 0	-	-	-	-	-	-	-	-	18 5	22 10	15 15	20 5	-	-	—
1803	-	-	5 10	9 0	7 0	9 0	-	-	-	-	-	-	16 0	20 0	-	-	-	-	84*s.* 4$\frac{1}{2}$*d.*
1804	-	-	7 0	9 0	-	-	-	-	-	-	-	-	16 10	19 10	15 0	18 10	-	-	97*s.* 1*d.*
1805	-	-	7 0	9 0	-	-	-	-	-	-	-	-	15 0	19 0	15 10	19 10	-	-	101*s.*
1806	-	-	7 0	9 0	-	-	-	-	-	-	-	-	15 10	19 10	-	-	-	-	107*s.* 5*d.*
1807	-	-	7 0	9 0	-	-	-	-	-	-	-	-	15 10	20 10	14 10	19 10	-	-	—
1808	-	-	7 0	9 0	-	-	-	-	-	-	-	-	14 10	19 10	-	-	-	-	—
1809	-	-	7 0	9 0	-	-	-	-	-	-	-	-	14 10	19 10	-	-	-	-	109*s.* 4*d.*
1810	-	-	7 0	9 0	-	-	-	-	-	-	-	-	14 10	19 10	-	-	-	-	—
1811	-	-	7 0	9 0	-	-	-	-	-	-	-	-	14 10	18 10	-	-	-	-	—
1812	-	-	7 0	9 0	-	-	-	-	-	-	-	-	14 10	18 10	16 10	19 10	-	-	—
1813	-	-	7 0	9 0	-	-	-	-	-	-	-	-	16 10	19 10	12 10	16 10	-	-	129*s.* 10*d.*
1814	-	-	7 0	9 0	-	-	-	-	-	-	-	-	12 10	16 10	-	-	-	-	—
1815	-	-	7 0	9 0	-	-	-	-	-	-	-	-	12 10	16 10	-	-	-	-	—
1816	-	-	7 0	9 0	-	-	-	-	-	-	12 10	17 10	13 10	16 10	12 10	15 10	-	-	—
1817	-	-	7 0	9 0	-	-	-	-	-	-	-	-	12 10	15 10	16 10	21 10	-	-	—
1818	7 0	*a* 9 0	7 10	9 0	7 0	7 10	8 0	*a* 9 0	16 10	21 10	15 10	21 10	18 0	21 0	20 0	22 0	-	-	—
1819	-	-	8 10	9 10	8 0	9 0	-	-	-	-	-	-	20 0	24 0	17 0	21 0	-	-	130*s.*
1820	81 0	9 0	-	-	-	-	7 10	8 10	17 0	21 0	16 10	20 10	16 10	20 10	14 10	19 10	-	-	—
1821	6 0	7 10	-	-	-	-	6 0	7 0	15 0	20 0	15 0	20 0	14 10	16 10	14 10	16 10	-	-	—
1822	6 0	6 10	6 0	6 10	6 0	6 10	6 0	7 0	14 10	16 0	14 0	15 10	16 0	19 10	16 0	19 10	-	-	—
1823	6 0	6 10	-	-	-	-	6 0	6 10	16 0	19 10	-	-	-	-	19 0	20 0	-	-	—
1824	6 0	7 0	6 0	7 0	6 0	7 0	10 10	11 0	22 10	27 0	22 10	26 10	22 10	26 10	21 0	25 0	-	-	—
1825	11 10	12 0	10 10	11 0	11 0	11 10	10 0	10 10	22 10	26 0	16 0	21 10	16 10	22 0	17 0	23 0	-	-	30*s.*
1826	10 0	-	10 0	-	8 0	9 0	6 10	8 8	17 0	23 0	16 0	21 0	15 10	21 10	17 10	20 0	-	-	—
1827	7 0	8 0	6 10	7 10	6 10	7 10	6 10	7 10	16 10	20 0	17 0	20 0	17 0	20 0	17 0	20 0	-	-	—
1828	6 10	7 10	6 0	6 10	6 0	6 10	5 10	6 10	17 0	20 0	16 0	19 0	16 0	19 0	16 0	19 0	-	-	—
1829	5 10	6 10	5 10	6 0	5 0	6 0	5 0	5 10	16 0	19 0	15 10	18 10	15 10	19 0	15 0	18 10	-	-	—
1830	5 0	5 5	5 0	5 5	5 0	5 5	5 0	5 5	15 0	18 10	14 10	18 10	14 10	18 10	14 10	18 10	-	-	—
1831	4 15	5 5	4 15	5 5	4 15	5 5	4 15	5 0	14 10	19 10	15 0	19 10	14 0	19 10	14 10	19 0	-	-	—
1832	4 15	5 10	4 15	5 10	4 15	5 5	4 15	5 5	14 10	19 0	14 10	19 0	14 10	19 0	14 0	19 0	-	-	—
1833	4 0	5 5	5 0	6 0	5 0	6 10	5 0	7 0	14 0	19 0	14 0	19 0	14 0	19 0	14 0	19 0	-	-	—
1834	5 0	5 10	5 5	-	5 5	-	5 0	5 10	14 0	19 0	14 0	18 10	13 10	18 10	13 10	18 10	-	-	—
1835	5 5	5 10	5 0	5 10	5 0	5 10	5 10	-	14 0	18 10	13 10	18 10	13 10	18 10	13 10	18 10	-	-	—
1836	6 5	-	8 0	-	8 0	-	7 0	7 10	14 0	18 10	14 10	18 10	15 10	19 10	14 0	19 0	-	-	—
1837	6 10	-	6 0	-	4 10	-	6 0	-	14 15	18 5	14 0	18 10	14 0	18 10	13 10	19 0	-	-	—
1838	6 5	-	6 5	-					13 10	18 10	15 0	19 10							

Year.	OIL, Northern Fishery, without Casks. Per Tun 252 Gallons.									Duty. Ton.		OIL, Gallipoli, in Bond. Per Tun 236 Gallons.						Duty. 252 Gallons.		
	£	s.	£	£	s.	£	£	s.	£	s.	d.	£	s.	£	£	£	£	£	s.	d.
1782	-	-	-	25	0 *a* 26	28	0 *a* 29	-	-	12	2	-	-	-	36 *a* 37	45 *a* 48	-	-	7	9	5
1783	-	-	-	21	0	22	28	0	29	-	-	—	-	-	-	45	46	41	42	-	-	-	—	—
1784	-	-	-	29	0	30	19	0	20	-	-	—	-	-	-	39	40	51	53	-	-	-	—	—
1785	-	-	-	26	0	27	20	0	21	-	-	—	-	-	-	50	51	40	41	-	-	-	—	—
1786	-	-	-	21	0	22	17	0	20	-	-	—	-	-	-	40	41	47	48	-	-	-	—	—
1787	-	-	-	16	0	-	20	0	-	-	-	—	-	-	-	34	-	42	-	-	-	-	—	—
1788	-	-	-	17	0	18	15	0	17	-	-	—	-	-	-	35	36	39	40	-	-	-	—	—
1789	-	-	-	16	0	17	18	0	19	-	-	—	-	-	-	42	44	38	39	-	-	-	—	—
1790	-	-	-	17	0	18	21	0	23	-	-	—	-	-	-	36	39	40	43	-	-	-	—	—
1791	-	-	-	17	0	19	23	0	24	-	-	—	-	-	-	38	40	36	37	-	-	-	—	—
1792	-	-	-	23	0	24	25	0	26	-	-	—	-	-	-	36	37	41	45	-	-	-	—	—
1793	26	0 *a* 27		20	0	21	-	-	-	23	0 *a* 24	—	42	0 *a* 46		56	58	-	-	53	0 *a* 54		—	—
1794	-	-	-	23	0	24	25	0	26	-	-	—	-	-	-	56	60	50	53	-	-	-	—	—
1795	-	-	-	25	0	27	36	0	37	-	-	—	-	-	-	47	48	65	66	-	-	-	—	—
1796	36	0	38	29	0	30	-	-	-	35	0	36	—	-	-	-	65	67	46	48	-	-	-	7	7	9¾
1797	36	0	38	28	0	29	-	-	-	31	0	32	—	-	-	-	51	52	65	70	-	-	-	—	—
1798	30	0	31	27	0	28	-	-	-	30	0	31	—	-	-	-	65	68	70	71	60	0	63	9	4	11½
1799	-	-	-	26	0	27	28	0	29	-	-	-	—	-	-	-	66	68	75	77	64	0	65	—	—	—
1800	-	-	-	25	0	26	40	0	41	-	-	-	—	-	-	-	65	66	59	62	-	-	-	—	—	—
1801	42	0	46	49	0	50	-	-	-	45	0	46	—	-	-	-	59	60	61	63	-	-	-	—	—	—
1802	40	0	42	31	0	32	33	0	34	-	-	-	—	61	0	63	52	53	62	63	-	-	-	—	—	—
1803	-	-	-	32	0	34	38	0	40	-	-	-	13	9½	63	0	64	66	68	53	54	-	-	10	16	6
1804	-	-	-	36	0	37	34	0	35	-	-	-	13	1½	-	-	-	51	52	70	73	-	-	12	0	7½
1805	34	0	35	38	0	40	-	-	-	31	0	32	13	4½	70	0	74	68	70	-	-	74	0	75	12	5	5
1806	-	-	-	27	0	28	26	0	27	-	-	-	14	3¼	-	-	-	73	76	63	66	-	-	-	13	1	5½
1807	-	-	-	26	0	28	21	0	22	-	-	-	—	-	-	-	64	67	68	70	-	-	-	—	—	—
1808	21	0	22	28	0	30	25	0	26	36	0	37	—	69	0	70	84	85	-	-	68	0	71	—	—	—
1809	36	0	37	34	0	35	-	-	-	42	0	45	7	0	67	0	70	77	78	70	71	61	0	65	13	3	4
1810	38	0	39	43	0	44	-	-	-	40	0	41	—	-	-	-	64	66	58	59	-	-	-	—	—	—
1811	-	-	-	42	0	46	31	0	33	-	-	-	—	-	-	-	57	59	69	73	-	-	-	—	—	—
1812	34	0	35	42	0	43	-	-	-	35	0	36	—	-	-	-	75	77	87	88	89	0	97	—	—	—
1813	44	0	45	36	0	40	-	-	-	56	0	60	8	3¾	-	-	-	83	85	95	97	85	0	90	15	12	8½
1814	57	0	58	33	0	34	-	-	-	42	0	43	—	-	-	-	87	90	58	60	65	0	68	—	—	—
1815	42	0	43	32	0	33	44	0	45	34	0	35	—	-	-	-	-	-	69	70	76	0	78	—	—	—
1816	35	0	-	22	0	-	-	-	-	37	0	-	—	-	-	-	75	76	60	61	82	0	83	—	—	—
1817	35	0	38	30	0	31	-	-	-	58	0	59	—	-	-	-	83	85	80	81	84	0	86	—	—	—
1818	58	0	59	33	0	34	41	0	42	37	0	39	—	-	-	-	84	86	67	73	85	0	90	—	—	—
1819	36	0	37	32	0	33	38	0	39	33	0	34	8	3	85	0	90	57	58	66	67	59	0	60	15	13	0
1820	30	0	-	33	0	-	34	0	-	23	10	-	—	58	0	61	60	64	56	60	54	0	55	—	—	—
1821	25	0	-	-	-	-	19	0	-	19	0	-	—	55	0	56	No price				45	-	50	10	-	—
1822	22	0	-	-	-	-	28	0	-	26	0	-	—	50	10	-	—				39	-	42	0	43	—
1823	26	0	-	21	0	-	23	0	-	18	5	-	—	42	0	43	43	44	45	47	46	0	48	—	—	—
1824	18	0	-	18	15	-	21	15	-	25	0	-	—	46	0	48	45	46	42	43	44	0	-	—	—	—
1825	28	10	-	26	0	-	28	10	-	32	0	-	—	43	0	44	45	-	46	47	40	0	42	7	0	0
1826	36	0	-	33	0	-	26	10	-	32	0	-	1	0	43	0	-	43	41	42	-	36	0	39	8	8	0
1827	34	10	-	29	0	-	28	10	-	21	0	-	—	42	0	-	49	50	46	47	42	0	44	—	—	—
1828	22	0	-	24	5	-	27	0	-	30	0	-	—	43	0	44	44	45	38	40	39	0	40	—	—	—
1829	25	15	-	25	15	-	25	0	-	29	0	-	—	40	0	41	44	45	42	-	38	0	-	—	—	—
1830	29	0	-	31	0	-	30	15	-	54	10	-	—	39	0	-	41	42	40	-	52	0	54	—	—	—
1831	52	10	-	38	0	-	30	0	-	39	0	-	—	44	0	-	48	-	24	35	38	0	40	—	—	—
1832	33	10	-	31	10	-	30	0	-	23	10	-	—	44	0	-	43	-	45	-	42	0	-	—	—	—
1833	24	10	-	24	0	-	26	10	-	28	5	-	—	42	0	-	51	-	49	50	51	0	52	—	—	—
1834	22	0	-	23	0	-	23	0	-	25	0	-	—	50	0	51	44	-	45	-	46	0	-	—	—	—
1835	26	0	-	26	10	-	25	10	-	42	0	-	—	54	0	55	54	-	54	55	60	0	-	4	4	0 B.S.
1836	38	15	-	41	0	-			No	price			—	60	0	61	58	59	56	-	56	0	57	—	—	—
1837			No	price					No	price			—	53	0	-	53	-	45	47	53	0	55	—	—	—
1838														53	0	-	54	-								

Years.	PROVISIONS.—Butter, Waterford. Per Cwt.						PROVISIONS.—Irish Mess-Beef. Per Tierce, 304 lb.							
	s.	s.	s.	s.	s.	s.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
1782	-	-	56 *a* 58		54 *a* 56		76 0 *a* 80 0		80 0 *a* 84 0		-	-	75 0 *a* 82 0	
1783	57 *a* 58		53	54	-	-	60 *a* 61		80 0	88 0	60 0	65 0		
1784	68	70	54	55	-	-	60	61	60 0	65 0	60 0	-	70 0	
1785	58	59	53	54	-	-	63	64	66 0	70 0	70 0	72 0		
1786	61	62	54	56	-	-	63	64	70 0	72 0	76 0	77 0	66 0 *a* 68 0	
1787	62	64	47	50	-	-	52	57	75 0	78 0	76 0	80 0	Uncertain	
1788	52	55	47	50	-	-	51	53	75 0	82 0	Uncertain		70 0	75 0
1789	-	-	46	48	50	52	-	-	70 0	75 0	65 0	73 0		
1790	-	-	51	55	66	70	-	-	65 0	75 0	76 0	80 0		
1791	66	70	47	49	69	70	-	-	74 0	78 0	76 0	82 0	70 0	75 0
1792	69	70	44	47	-	-	64	66	70 0	75 0	63 0	70 0	75 0	90 0
1793	62	65	70	75	-	-	68	70	-	-	75 0	90 0	100 0	105 0
1794	-	-	68	72	70	76	-	-	-	-	105 0	115 0	92 0	100 0
1795	72	76	80	81	-	-	74	76	92 0	100 0	95 0	110 0	90 0	110 0
1796	-	-	74	76	78	80	-	-	-	-	95 0	110 0	110 0	125 0
1797	76	77	85	88	-	-	70	73	-	-	110 0	125 0	130 0	140 0
1798	73	74	60	63	-	-	78	80	130 0	140 0	140 0	147 0	110 0	130 0
1799	-	-	78	82	93	95	-	-	-	-	105 0	126 0	110 0	130 0
1800	100	105	85	90	-	-	120	125	110 0	130 0	110 0	120 0	130 0	135 0
1801	-	-	115	117	70	75	-	-	-	-	140 0	150 0	100 0	120 0
1802	79	80	65	70	-	-	88	92	-	-	105 0	120 0	150 0	160 0
1803	-	-	85	94	114	115	-	-	-	-	140 0	150 0	152 0	160 0
1804	105	113	75	80	-	-	96	98	-	-	150 0	155 0	100 0	110 0
1805	95	97	68	70	96	100	90	92	-	-	127 0	130 0	135 0	140 0
1806	78	80	96	100	-	-	90	92	135 0	140 0	110 0	120 0	130 0	140 0
1807	90	95	108	110	-	-	120	122	-	-	120 0	126 0	130 0	140 0
1808	110	126	100	105	-	-	115	117	-	-	120 0	125 0	150 0	160 0
1809	116	118	82	84	114	116	104	108	145 0	150 0	147 0	152 0	140 0	145 0
1810	108	110	90	95	-	-	122	125	140 0	155 0	142 0	145 0	140 0	155 0
1811	130	132	115	118	-	-	120	126	160 0	165 0	175 0	190 0	165 0	170 0
1812	126	128	110	118	-	-	118	122	165 0	167 0	150 0	152 0	160 0	162 0
1813	117	121	84	90	125	127	115	120	150 0	160 0	190 0	195 0	170 0	175 0
1814	122	124	138	140	122	125	137	138	-	-	178 0	-	160 0	165 0
1815	136	138	111	116	120	121	113	120	140 0	-	165 0	170 0	140 0	
1816	98	114	62	68	94	96	80	85	-	-	110 0	115 0	85 0	90 0
1817	80	82	93	94	66	70	115	116	100 0	105 0	120 0	125 0	105 0	108 0
1818	115	116	130	134	126	127	117	118	105 0	-	110 6	-	100 0	
1819	108	112	74	78	98	100	74	75	102 6	-	125 0	-	115 0	-
1820	76	78	90	93	78	82	82	84	125 0	-	115 0	120 0	130 0	135 0
1821	86	88	95	97	68	72	88	90	120 0	-	125 0	-	115 0	127 0
1822	84	92	69	70	70	76	68	75	110 0	112 6	100 0	105 0	80 0	-
1823	73	75	78	80	72	74	78	80	84 0	-	107 0	-	97 6	-
1824	85	86	74	-	76	-	96	97	90 0	95 0	87 6	-	82 6	85 0
1825	96	98	98	-	86	88	105	-	102 6	105 0	117 6	-	110 0	115 6
1826	90	92	80	82	90	-	92	96	130 0	-	130 0	-	115 0	-
1827	86	88	86	96	82	86	82	84	90 0	95 0	112 6	-	117 6	120 0
1828	80	-	70	74	76	78	79	80	115 0	-	110 0	112 6	112 6	-
1829	68	70	60	66	66	68	60	64	110 0	-	105 0	107 6	105 0	107 6
1830	63	68	100	-	70	74	88	90	95 0	97 6	95 0	97 6	95 0	-
1831	96	-	100	104	80	82	94	98	90 0	-	95 0	97 6	95 0	-
1832	86	90	80	86	80	82	78	84	102 6	-	107 6	120 0	115 0	117 6
1833	76	80	60	66	78	-	73	75	115 0	-	110 0	-	115 0	-
1834	72	74	70	74	74	-	68	74	110 0	-	112 6	-	107 6	-
1835	66	74	60	65	68	70	78	84	100 0	-	102 6	-	102 6	-
1836	90	94	70	76	84	86	100	106	107 6	-	117 6	-	112 6	115 0
1837	100	102	-	-	84	-	92	95	112 6	115 0	111 6	-	105 0	-
1838	84	92	80	90	-	-	-	-	112 6	115 0	115 6	117 6		

RICE, Carolina.
Duty paid in 1820, and subsequent Years.

Year.	Per Cwt.								Duty.
	s.	*s.*	*s.*	*s. d.*	*s.*	*s.*	*s.*	*s.*	
1782	-	-	22 *a* 24	0	30 *a* 31		-	-	7*s.* 4*d.*
1783	32 *a* 33		23	25 0	-	-	30 *a* 32		—
1784	-	-	26	27 0	20	21	-	-	—
1785	19	20	13	15 0	-	-	16	17	—
1786	16	17	20	21 0	-	-	18	19	—
1787	-	-	17	18 6	18	19	-	-	—
1788	-	-	18	19 0	14	15	-	-	—
1789	14	15	17	19 0	-	-	16	17	—
1790	-	-	17	18 0	14	15	-	-	—
1791	-	-	14	15 0	16	17	-	-	—
1792	-	-	14	15 6	18	19	-	-	—
1793	-	-	18	19 0	15	16	-	-	—
1794	-	-	17	18 0	22	23	-	-	—
1795	41	43	36	-	45	-	37	-	July. Free.
1796	-	-	38	42 0	20	21	-	-	—
1797	20	21	16	17 0	23	24	18	19	—
1798	17	18	15	16 0	-	-	18	19	6*d.*
1799	-	-	16	17 0	38	40	-	-	—
1800	38	39	41	45 0	22	26	54	56	Free.
1801	54	56	21	24 0	-	-	34	36	—
1802	33	36	40	42 0	29	31	30	33	July. 8*s.* 9*d.*
1803	31	33	34	35 0	36	37	34	35	8*s.* 9*d.* 9*s.* 5$\frac{12}{20}$*d.* 5*s.* 1$\frac{1}{2}$*d.*
1804	33	35	20	21 0	32	35	40	50	July. 4*s.* 8*d.*
1805	40	45	36	41 0	30	34	40	45	July. 5*s.* 11$\frac{1}{2}$*d.*
1806	40	45	27	32 0	-	-	27	35	July. 6*s.* 4*d.*
1807	25	34	23	30 0	-	-	30	36	—
1808	37	45	45	52 0	35	45	58	62	April. Free.
1809	56	60	60	68 0	30	32	32	36	—
1810	-	-	30	34 0	21	25	-	-	—
1811	-	-	23	27 0	36	40	-	-	—
1812	40	42	70	77 0	66	68	80	82	—
1813	80	84	48	52 0	-	-	46	52	16*s.* 4*d.* 20*s.* 0$\frac{3}{4}$*d.*
1814	36	40	25	26 0	-	-	56	60	20*s.* 0$\frac{3}{4}$*d.* Free. 20*s.* 0$\frac{3}{4}$*d.*
1815	45	48	20	25 0	-	-	25	26	—
1816	25	26	20	25 0	-	-	46	58	—
1817	42	51	40	46 0	34	36	51	52	20*s.* 0$\frac{3}{4}$*d.* April. Free.
1818	45	48	42	44 0	53	54	42	47	Free.
1819	43	45	30	33 0	36	38	18	24	20*s.* 0$\frac{3}{4}$*d.* Apr. 15*s.*
1820	32	39	35	40 0	41	42	36	37	15*s.*
1821	36	-	34	35 0	30	34	33	35	—
1822	33	35	29	33 0	33	35	34	36	—
1823	33	36	39	43 0	37	42	33	41	—
1824	33	40	28	32 0	29	32	31	34	—
1825	34	37	39	40 0	34	36	38	40	—
1826	36	40	30	35 0	32	37	35	40	—
1827	38	40	40	-	38	-	37	38	—
1828	37	38	34	36 0	33	36	37	40	—
1829	33	38	32	35 0	32	37	32	35	—
1830	32	35	32	36 0	30	35	36	-	—
1831	36	-	35	38 0	30	33	36	37	—
1832	36	37	35	37 0	35	38	35	37	—
1833	37	-	33	35 0	34	36	34	36	—
1834	34	36	32	34 0	28	29	29	31	—
1835	29	31	29	31 0	29	31	29	32	—
1836	29	31	28	31 0	28	30	32	34	—
1837	32	34	30	32 0	30	32	30	32	—
1838	32	34	34	36 0	-	-	-	-	—

SALTPETRE, East India, Rough, in Bond.

Per Cwt.								Duty.
s. d.	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*	Cwt.
87 0	-	72 0	-	67 0	-	-	-	7*s.* 8$\frac{5}{20}$*d.*
67 0	-	64 0	-	-	-	-	-	—
62 0	-	64 0	-	50 0	-	52 0	-	—
55 0	-	53 0	-	55 0	-	-	-	—
56 0	-	-	-	-	-	49 0	-	—
48 0	-	-	-	-	-	39 0	-	7*s.* 9*d.*
39 0 *a* 40 0		-	-	-	-	33 0 *a* 34 0		—
34 0	35 0	40 0	-	32 0 *a* 33 0		-	-	—
31 0	33 0	Uncertain		46 0	50 0	42 0	45 0	—
42 0	44 0	-	-	-	-	38 0	40 0	—
40 0	-	-	-	-	-	63 0	-	—
64 0	-	97 0	-	None		38 0	40 0	—
52 0	-	None till		December		125 0	132 0	—
135 0	-	170 0	-	155 0	-	-	-	Free.
155 0	-	45 0	-	96 0	-	56 0	-	—
56 0	59 0	Uncertain		65 0	68 0	58 0	60 0	3*d.* afterwards 1*s.* 11$\frac{1}{2}$*d.*
60 0	61 0	-	-	-	-	140 0	145 0	—
140 0	143 0	-	-	-	-	95 0	96 0	—
95 0	96 0	-	-	-	-	60 0	61 0	—
60 0	61 0	69 0 *a* 70 0		52 0	54 0	-	-	—
51 0	52 0	-	-	-	-	42 0	45 0	—
35 0	38 0	61 0	62 0	47 0	48 0	-	-	11*s.* 6*d.* then 3*d.*
47 0	48 0	-	-	-	-	58 0	60 0	—
58 0	59 0	85 0	95 0	78 0	80 0	-	-	—
63 0	68 0	-	-	-	-	52 0	53 0	—
51 0	52 0	56 0	57 0	48 0	49 0	-	-	—
48 0	49 0	-	-	-	-	75 0	78 0	—
74 0	75 0	-	-	-	-	81 0	82 0	4*d.*
80 0	82 0	-	-	-	-	76 0	80 0	—
76 0	80 0	69 0	71 0	72 0	76 0	-	-	—
70 0	72 0	64 0	68 0	75 0	78 0	68 0	70 0	—
70 0	74 0	-	-	-	-	77 0	80 0	4$\frac{1}{2}$*d.*
85 0	90 0	75 0	78 0	100 0	105 0	88 0	95 0	—
90 0	95 0	69 0	70 0	102 0	105 0	80 0	85 0	—
71 0	75 0	-	-	-	-	41 0	42 0	—
40 0	42 0	37 0	38 0	42 0	44 0	-	-	—
43 0	44 0	-	-	-	-	38 0	40 0	—
38 0	40 0	-	-	-	-	31 0	35 0	—
32 0	36 0	-	-	31 0	33 6	30 0	31 0	—
-	-	27 0	28 0	-	-	21 0	22 0	—
21 0	22 0	29 0	32 0	21 0	22 0	25 0	27 0	—
25 0	27 0	29 0	30 0	22 0	24 0	22 0	23 0	—
21 6	22 6	20 0	21 0	20 0	21 0	22 0	23 0	—
23 6	24 0	33 0	34 0	24 0	25 0	23 0	24 0	—
23 0	24 0	23 0	24 0	20 0	21 0	21 0	22 0	—
23 0	23 6	22 0	22 6	22 0	22 6	25 0	26 0	—
24 6	25 6	25 0	26 0	22 6	23 6	25 0	26 0	—
24 0	25 0	25 0	25 6	24 0	25 0	25 6	26 0	—
25 6	26 0	35 0	36 0	38 0	39 0	41 0	42 6	—
36 0	38 0	44 0	46 0	39 0	42 0	38 0	41 0	—
38 0	39 0	36 0	37 0	33 0	-	36 0	36 6	—
30 0	32 0	25 0	30 0	38 0	40 0	32 0	34 0	—
32 0	33 0	26 0	30 0	26 0	30 0	24 0	26 6	—
24 6	27 6	25 0	28 0	22 6	25 6	25 0	28 0	—
24 6	27 6	26 6	29 6	29 0	31 0	26 0	28 0	—
25 6	28 0	24 0	26 0	22 0	25 6	21 0	26 6	—
21 0	26 6	22 0	25 0	-	-	-	-	—

Year	SILK, Bengal, Raw. Company's Sales in Bond, from 1820. Private Trade in 1830. Per lb.								Duty.	SILK, China, Raw. Company's Sales in Bond, from 1820. Private Trade in 1835, and since. Per lb.								Duty.
	s. d.	s. d.	s. d.	s. d.	s.	d.	s.	d.		s. d.	s. d.	s. d.	s. d.	s.	d.	s.	d.	
1782	-	-	-	-	15	0	a24	0	1s. 4½d.	-	-	19	0	a20	0	17	0	a22	0	1s. 4½d.
1783	15	0	a24	0	15	0	a33	0	—	17	0	a22	0	18	0	29	0	19	0	—
1784	15	0	24	0	15	0	23	0	Aug. 4s. 4½d.	19	0	24	0	17	0	24	0	14	0	August. 4s. 4½d.
1785	12	0	26	0	16	0	29	0	—	14	0	23	0	20	0	29	0	17	0	—
1786	13	0	25	0	18	0	25	0	—	26	0	28	0	29	0	36	0	28	0	—
1787	-	-	-	-	13	0	24	0	3s.	-	-	-	-	29	0	33	0	26	0	3s.
1788	-	-	-	-	16	0	34	0	—	-	-	-	-	25	0	35	0	17	0	—
1789	-	-	-	-	-	-	15	0	—	-	-	-	-	15	0	24	0	-	-	—
1790	-	-	-	-	15	0	25	0	—	15	0	24	0	14	0	26	0	15	0	—
1791	-	-	-	-	16	0	24	0	—	-	-	-	-	17	0	20	0	21	0	—
1792	-	-	-	-	14	0	28	0	—	-	-	-	-	21	0	24	0	20	0	—
1793	-	-	-	-	18	0	31	0	—	-	-	-	-	18	0	21	0	15	0	—
1794	-	-	-	-	14	0	22	0	—	-	-	-	-	15	0	16	0	16	0	—
1795	-	-	-	-	9	0	31	0	—	-	-	-	-	16	0	19	0	17	0	—
1796	-	-	-	-	6	0	30	0	3s. 1 16/20d.	-	-	-	-	17	0	21	0	18	0	3s. 1 16/20d.
1797	-	-	-	-	9	0	27	0	3s. 3 12/20d.	-	-	-	-	17	0	18	0	21	0	3s. 3 12/20d.
1798	-	-	-	-	6	0	20	0	3s. 9 12/20d.	-	-	-	-	20	0	21	6	24	0	3s. 9 12/20d.
1799	14	0	21	0	5	0	22	0	—	-	-	-	-	24	0	28	0	22	0	—
1800	-	-	-	-	12	6	16	0	—	-	-	-	-	22	6	23	6	23	0	—
1801	-	-	-	-	11	0	23	0	—	-	-	-	-	23	0	24	0	21	0	—
1802	-	-	-	-	5	0	30	0	—	-	-	-	-	22	0	23	0	24	0	—
1803	10	6	24	6	12	0	28	6	3s. 4½d.	22	6	25	0	23	6	26	0	19	0	4s. 6d.
1804	6	0	22	0	3	0	20	0	3s. 1½d. June. 3s. 9d.	21	0	22	0	20	0	21	0	20	0	June. 5s.
1805	-	-	-	-	5	0	25	0	June. 4s. 0 16/20d.	-	-	-	-	22	0	24	6	24	0	June. 5s. 1 4/20d.
1806	-	-	-	-	9	0	21	0	June. 4s. 1d.	-	-	-	-	24	0	27	0	32	0	June. 5s. 5¼d.
1807	-	-	-	-	7	0	20	0	—	-	-	-	-	31	0	36	0	23	0	—
1808	9	0	23	0	18	0	45	0	—	19	0	22	0	33	0	45	0	27	0	—
1809	-	-	-	-	14	0	34	0	4s.	-	-	-	-	27	0	34	0	33	0	5s. 8d.
1810	18	0	36	0	20	0	39	0	—	33	0	37	0	32	0	36	0	34	0	38	0	36	0a50	0	—
1811	-	-	-	-	23	0	39	0	—	-	-	-	-	40	0	54	0	32	0	35	0	-	-	-	—
1812	-	-	-	-	22	0	37	0	—	32	0	35	0	32	0	34	0	26	0	30	0	-	-	-	—
1813	12	0	30	0	12	0	30	0	4s. 9d.	26	0	30	0	22	0	27	0	25	0	29	0	20	0	22	0	6s. 8¾d.
1814	-	-	-	-	12	0	15	0	3s. 9d.	-	-	-	-	19	0	22	0	20	0	23	0	-	-	-	5s. 7½d.
1815	-	-	-	-	11	0	26	0	—	-	-	-	-	20	0	23	0	17	0	20	0	-	-	-	—
1816	-	-	-	-	11	0	24	0	—	-	-	-	-	17	0	20	0	14	0	19	0	-	-	-	—
1817	8	0	26	0	11	0	31	0	—	14	0	17	6	15	6	24	0	20	0	30	0	-	-	-	—
1818	-	-	-	-	23	0	39	0	—	20	0	30	0	19	0	29	0	21	0	33	0	15	0	25	0	—
1819	16	0	36	0	13	0	30	0	—	17	0	25	0	22	0	28	0	19	0	23	0	-	-	-	5s. 6d.
1820	18	0	26	2	-	-	-	-	—	22	8	28	7	-	-	-	-	16	1	21	1	17	0	23	6	—
1821	16	11	23	6	15	3	24	5	—	18	2	21	1	19	2	22	1	17	1	20	10	18	0	21	4	—
1822	15	4	24	2	15	0	25	1	—	18	0	21	5	17	7	22	0	16	1	24	0	17	1	25	7	—
1823	16	1	26	3	15	1	27	7	—	16	7	23	9	15	8	21	1	13	9	20	8	13	7	18	3	—
1824	14	3	19	6	-	-	-	-	—	13	10	20	4	-	-	-	-	14	5	21	3	16	6	23	0	March. 3d.
1825	20	7	31	0	-	-	-	-	—	18	0	27	10	-	-	-	-	17	3	24	1	17	0	24	5	—
1826	13	1	19	1	-	-	-	-	—	13	0	19	0	-	-	-	-	13	3	16	0	14	0	17	7	July. 1d.
1827	13	3	23	8	-	-	-	-	—	15	9	22	1	-	-	-	-	16	2	24	2	16	9	23	0	—
1828	15	6	23	6	-	-	-	-	—	18	4	22	9	-	-	-	-	18	5	22	10	18	5	23	8	—
1829	11	4	21	8	-	-	-	-	—	15	11	18	2	-	-	-	-	12	0	17	6	11	11	15	1	—
1830	10	6	16	5	-	-	-	-	—	12	4	16	0	-	-	-	-	12	2	15	9	13	2	16	11	—
1831	12	11	18	2	-	-	-	-	—	13	9	17	8	-	-	-	-	13	2	16	0	11	9	15	6	—
1832	11	1	17	0	-	-	-	-	—	12	8	16	0	-	-	-	-	12	0	14	10	12	3	14	10	—
1833	11	3	18	1	-	-	-	-	—	12	9	15	0	-	-	-	-	14	5	18	5	18	7	23	1	—
1834	13	5	19	4	-	-	-	-	—	12	11	19	5	13	10	22	2	15	1	20	6	-	-	-	-	—
1835	12	7	22	7	-	-	-	-	—	12	5	22	4	14	3	22	11	14	10	19	1	16	5	21	6	—
1836	15	5	25	0	-	-	-	-	—	15	5	26	1	15	8	28	2	16	6	22	6	-	-	-	-	—
1837	11	2	17	9	-	-	-	-	—	No June sale.				12	9	18	4	19	0	26	4	19	0	28	0	—
1838	13	6	20	0	14	0	21	0	—	-	-	-	-	-	-	-	-	14	6	26	0	11	0	18	0	—
																		16	0	23	6	17	0	26	0	—
																		-	-	-	-	-	-	-	-	—

SILK, Reggio, Raw, till 1820, then Milan. Raw duty paid.

Year.	Per lb.						Duty.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
1782	-	-	20 0	a23 0	21 0	a24 0	1s. 4½d.
1783	22 0	-	23 0	26 0	-	-	—
1784	22 0	a23 0	21 0	22 0	-	-	Aug. 4s. 4½d.
1785	23 0	24 0	20 0	26 0	-	-	—
1786	21 0	22 0	24 0	28 0	-	-	—
1787	-	-	22 0	23 0	27 0	28 0	3s.
1788	-	-	24 0	26 0	20 0	30 0	—
1789	-	-	21 0	24 0	-	-	—
1790	-	-	21 0	22 0	23 0	24 0	—
1791	-	-	23 0	24 0	24 0	25 0	—
1792	-	-	24 0	25 0	25 0	26 0	—
1793	-	-	26 0	26 6	21 0	22 0	—
1794	21 0	0 23	19 0	22 0	-	-	23 0 24 0 —
1795	-	-	23 0	24 0	23 0	25 0	—
1796	-	-	23 0	26 0	23 0	27 0	3s. 1 16/20d.
1797	-	-	23 0	26 0	25 0	27 0	3s. 3 12/20d.
1798	25 0	27 0	24 0	26 0	None		3s. 9 12/20d.
1799	-	-	None		-	-	—
1800	-	-	Uncertain		17 0	18 0	—
1801	16 0	18 0	None		20 0	21 0	—
1802	-	-	18 0	19 0	23 0	25 6	—
1803	21 6	23 0	22 0	23 0	-	-	21 0 22 0 4s. 6d.
1804	-	-	22 0	23 0	21 0	22 0	June. 5s.
1805	-	-	21 0	22 0	18 0	19 0	June. 5s. 1 4/20d.
1806	18 0	19 0	19 0	21 0	-	-	18 0 19 0 June. 5s. 5¼d.
1807	18 0	19 0	17 0	18 0	-	-	None —
1808	None		24 0	25 0	-	-	19 0 21 0 —
1809	-	-	19 0	21 0	24 0	27 0	- - 5s. 6d.
1810	24 0	27 0	33 0	35 0	24 0	28 0	25 0 27 0 —
1811	30 0	32 0	33 0	45 0	-	-	26 0 27 0 —
1812	26 0	27 0	30 0	32 0	-	-	24 0 28 0 —
1813	24 0	28 0	27 0	31 0	-	-	None —
1814	None		24 0	25 0	-	-	22 0 23 0 —
1815	-	-	23 0	24 6	17 6	18 6	- - —
1816	-	-	17 6	18 6	16 0	17 6	- - —
1817	17 6	18 0	20 6	-	-	-	None —
1818	None		27 6	30 0	15 0	16 0	23 6 25 0 —
1819	24 0	26 6	16 0	18 0	-	-	17 0 19 0 —
1820	28 0	30 0	28 0	30 0	25 0	26 0	27 0 29 0 —
1821	27 0	29 0	27 0	29 0	27 0	30 0	28 0 30 0 —
1822	27 0	30 0	26 0	28 0	27 0	29 0	32 0 36 0 —
1823	29 0	32 0	28 0	30 0	26 0	28 0	23 0 25 0 —
1824	23 0	26 0	23 0	25 0	18 0	20 0	20 0 23 0 April. 3d.
1825	18 0	21 0	23 0	26 0	21 0	23 0	21 0 24 0 —
1826	21 0	24 0	21 0	23 0	18 0	20 0	20 0 22 0 July. 1d.
1827	20 0	22 0	20 0	23 0	19 0	21 6	19 0 22 0 —
1828	20 0	23 0	20 0	23 0	20 0	22 6	20 0 23 0 —
1829	20 0	23 0	20 0	26 0	17 0	18 0	15 0 20 0 —
1830	15 0	19 0	15 6	19 0	17 6	22 0	17 0 21 0 —
1831	17 0	21 0	16 6	19 0	15 6	18 0	15 6 18 0 —
1832	15 6	18 0	15 6	18 0	15 6	18 0	15 6 19 0 —
1833	15 6	19 0	18 0	20 0	18 0	22 0	23 0 26 0 —
1834	23 0	26 0	23 0	26 0	23 0	26 0	23 0 26 0 —
1835	23 0	26 0	22 0	25 0	22 0	25 0	22 0 26 9 —
1836	22 0	26 0	22 0	27 0	26 0	30 0	30 0 34 0 —
1837	24 0	30 0	21 0	26 0	18 0	22 0	21 0 24 0 —
1838	22 0	26 0	22 0	26 0	-	-	- - —

SPICES.—Cinnamon, Ceylon, 1st Quality, in Bond.

Per lb.									Duty.
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.		
-	-	11 6	-	13 6	-	-	-		4s. 5d.
-	-	11 6	-	16 0	-	-	-		—
-	-	20 0	-	13 0	-	-	-		—
-	-	14 0	-	16 0	-	-	-		—
13 6	a16 0	8	0a10 0	13	0a15 6	-	-		—
-	-	13	6 16 0	12	0 13 0	-	-		—
13 0	14 0	14	0 16 0	12	0 13 0	-	-		—
-	-	13	0 14 0	10	0 12 0	-	-		—
-	-	11	0 12 6	-	-	-	-		—
-	-	11	0 12 0	-	-	-	-		—
-	-	10	0 11 0	13	0 14 0	-	-		—
-	-	13	0 14 0	10	0 11 0	-	-		—
-	-	10	0 11 0	-	-	-	-		—
10	0 11	0	17 0 18 0	15	0 16 0	-	-		—
-	-	12	0 14 0	9	0 10 6	-	-		—
-	-	7	0 8 0	9	0 10 0	-	-		—
-	-	4	9 5 0	5	0 5 6	-	-		August. 1s. 6d.
-	-	4	9 5 6	4	6 5 0	-	-		—
-	-	4	6 5 0	4	4 5 9	-	-		—
-	-	4	6 5 0	-	-	-	-		July. 1s. 10½d.
-	-	4	3 5 6	4	9 5 9	-	-		—
-	-	4	9 5 9	4	6 5 6	-	-		2s. 0½d.
-	-	4	6 5 6	7	0 7 6	-	-		—
-	-	7	0 7 6	7	0 7 3	-	-		—
-	-	7	0 7 4	8	0 9 0	-	-		2s.
-	-	9	0 10 0	8	0 9 0	-	-		—
-	-	8	0 9 0	8	6 9 6	-	-		—
8	6	-	8 0	-	9 0	-	-		—
-	-	8	0 9 6	10	0 10 6	-	-		2s. 4½d.
10	0 11	0	15 0 16 0	13	0 14 0	-	-		—
12	0 14	0	15 0 15 6	12	0 13 6	-	-		—
12	6 13	0	9 0 10 6	11	0 11 6	-	-		—
11	3 11	6	9 0 11 0	12	0 13 3	-	-		—
13	3 13	6	15 0 16 3	13	0 14 0	14	0a14 2		—
-	-	12	3 12 6	9	2 9 4	-	-		2s. 6d.
9	2 9	4	-	7	8 8 3	8	6 8	9	—
8	6 8	9	-	-	-	6	1 6	6	—
6	1 6	6	8 6 9	0	7 6 7	9	7 2	7 4	—
7	0 7	4	7 1 7	4	6 11	7	0	6 8	6 11 —
6	7 6	8	7 0 7	1	7 2	7	6	6 9	7 0 —
7	0 7	3	11 6 12	0	7 9	8	0	7 9	8 0 —
7	6 7	9	6 6 7	0	6 7	6	9	7 6	7 9 —
7	6 7	9	6 10 7	0	6 9	6	10	6 6	6 8 —
6	6 6	8	6 7 6	9	6 3	7	6	6 3	8 0 —
6	6 8	3	6 9 8	0	6 9	8	0	7 9	8 3 —
-	-	9	0 10 6	9	0 11	0	8	0 10	0 6d.
6	9 0	9	8 6 9	6	8 6	8	9	8 9	9 6 —
8	9 6	9	8 6 9	3	8 6	8	9	8 9	9 0 —
8	0 9	0	8 6 9	6	8 6	8	9	8 6	10 0 —
8	6 9	6	7 6 10	6	8 0	11	0	8 0	10 6 —
8	0 10	6	8 6 10	6	7 10	9	6	7 8	9 6 —
7	8 9	6	8 9 9	3	8 4	9	8	8 6	9 3 —
8	2 9	4	6 10 8	6	6 0	7	8	5 9	7 0 —
6	6 8	0	6 3 7	6	-	-		-	- —

Years.	SPICES.—Pepper, East India Black, in Bond. Per lb.								Duty.	SPIRITS.—Rum, Jamaica, Proof. Per Gallon.								Duty
	d.	*d.*	*d.*	*d.*	*d.*	*d.*	*d.*	*d.*		*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*	
1782	-	-	22		23½	-	-	-	4 23/40 *d.*	-	-	3	2a3	4	4	6a6	0	-	-	Customs and Excise 6*s.* 11½*d.*
1783	-	-	27	-	16	-	-	-	—	-	-	3	9	4	1	2	0a2	10	-	-	—
1784	-	-	14	-	21	-	-	-	—	-	-	2	6	3	2	3	6	4	4	-	-	5*s.*
1785	-	-	17 *a*	18	12 *a*	13	-	-	—	-	-	2	8	3	8	2	2	2	10	-	-	—
1786	-	-	11½	12	13	14½	-	-	—	2	2a2	2	8	2	8	3	0	-	-	2	0a2	4	—
1787	-	-	14½	-	13½	-	-	-	—	-	-	2	2	2	8	3	0	3	4	-	-	4*s.*
1788	-	-	12	-	13½	-	-	-	6½*d.*	-	-	3	0	4	3	2	4	3	0	-	-	—
1789	-	-	13	-	14½	-	-	-	—	-	-	2	6	3	2	2	4	3	0	-	-	—
1790	-	-	14	-	15½	-	-	-	—	-	-	2	4	3	0	3	6	4	3	-	-	—
1791	-	-	16½	-	18½	-	-	-	—	-	-	4	0	4	10	2	9	3	9	4	0	4	5	4*s.* 8*d.*
1792	-	-	23½	-	16	-	-	-	—	-	-	4	0	4	9	3	6	4	8	-	-	—
1793	-	-	15½	-	13½	-	-	-	—	-	-	4	8	5	4	4	0	4	6	-	-	4*s.* 8*d.*
1794	-	-	13½	-	14½	-	-	-	—	-	-	4	0	4	8	2	6	3	2	3	0	3	9	5*s.* 4*d.*
1795	-	-	13	-	15½	-	-	-	—	-	-	3	4	3	10	8	6	8	9	-	-	-		Aug. 6*s.*
1796	14½	-	13½	-	-	-	15	-	—	9	0	9	6	6	0	8	0	-	-	-	—
1797	-	-	14½	-	13½	-	-	-	9½*d.*	6	6	8	0	4	6	6	0	7	2	7	8	-	-	6*s.* 8*d.*
1798	12½	-	22	-	-	-	19	-	—	7	2	8	0	4	6	5	0	-	-	-	—
1799	-	-	19	-	13	-	-	-	—	4	3	5	6	3	0	4	0	-	-	4	0	5	0	—
1800	-	-	14	-	16½	-	-	-	—	-	-	-		3	9	4	6	6	9	8	3	-	-	7*s.* 4*d.*
1801	-	-	18	-	15	-	-	-	{ May. 1*s.* 0½*d.* }	6	9	8	3	7	6	.0	0	-	-	4	3	4	9	—
1802	-	-	15	-	11½	-	-	-	—	4	2	5	6	5	6	6	9	-	-	3	6	5	0	7*s.* 6 3/20 *d.*
1803	11	-	12	-	-	-	9½	-	1*s.* 2*d.*	4	0	5	6	5	6	7	3	-	-	3	4	4	9	11*s.* 1½*d.*
1804	9	-	9½	-	-	-	10	-	{ July. 1*s.* 6¾*d.* }	3	4	5	0	2	9	3	9	-	-	5	0	6	6	11*s.* 2½*d.*
1805	-	-	9½	-	9	-	-	-	1*s.* 7 2/20 *d.*	-	-			5	0	6	6	3	3	4	3	-	-	—
1806	-	-	9½	-	7½	-	-	-	1*s.* 8½*d.*	-	-			3	4	4	6	3	6	4	6	-	-	11*s.* 3½*d.*
1807	-	-	-	-	7½	-	-	-	—	-	-			3	4	4	6	3	0	4	3	-	-	—
1808	-	-	7½	-	10	-	-	-	—	-	-			3	6	4	6	6	0	6	9	-	-	—
1809	-	-	11½	-	10	-	-	-	1*s.* 8*d.*	5	6	6	6	3	9	5	6	-	-	4	9	6	9	11*s.* 4½*d.*
1810	11	-	12½	-	-	-	8½	-	—	-	-			4	6	6	0	4	9	6	9	-	-	—
1811	8½	-	7	-	-	-	8	-	—	4	6	6	0	4	2	5	3	-	-	4	6	6	3	—
1812	8½ *a*	9	7	7½	-	-	9 *a*	9½	—	4	6	6	0	4	3	5	3	-	-	5	6	6	6	—
1813	-	-	9	9½	14½	15½	-	-	{ Aug. 1*s.* 11½*d.* }	5	6	6	6	7	0	8	0	-	-	6	6	8	0	11*s.* 6¾*d.*
1814	15	15½	20	21	12	13½	13	14	{ July. 1*s.* 10½*d.* }	-	-			6	0	8	0	4	6	6	0	-	-	—
1815	10½	-	11	-	-	-	10	10½	—	-	-			4	6	6	6	3	0	4	4	-	-	—
1816	-	-	9½	9½	7	7½	-	-	—	3	3	4	6	2	8	3	10	-	-	-		3	9	5	0	—
1817	7½	-	9	9½	-	-	8½	8¾	—	3	6	4	6	2	8	4	0	-	-	-		3	6	5	6	—
1818	8¼	-	10	-	-	-	7¼	8	—	3	6	5	0	3	8	5	6	-	-	-		3	3	4	3	—
1819	-	-	7½	8	6½	6½	-	-	{ July. 2*s.* 6*d.* }	-	-			3	3	4	3	2	6	4	0	-	-	11*s.* 7½*d.*
1820	6½	6½	-	-	6	6½	6½	7	—	2	6	3	9	3	4	5	2	-	-	-		3	0	4	0	—
1821	6¾	7	7	7½	7	7½	7	7½	—	2	2	4	3	-	-	-		1	6	2	10	-	-	-		—
1822	7¼	7½	7½	7¾	6½	7	6	6½	—	1	6	3	0	1	10	3	3	-	-	-		1	8	3	0	—
1823	6⅛	6½	6¼	7	6⅜	6⅝	5½	5⅝	—	1	8	3	0	2	0	3	3	1	8	3	2	1	7	2	9	—
1824	5⅝	-	5⅝	-	5⅝	5⅝	5½	6	—	1	9	2	6	1	10	2	10	1	7	2	6	1	8	2	6	{ June. 10*s.* 6*d.*
1825	6½	6¾	8	8½	5⅝	6⅜	6	6½	—	1	11	2	9	2	2	3	1	2	2	3	3	2	7	3	6	—
1826	5½	6	5	5½	4½	5½	4½	5	1*s.*	2	7	3	6	3	3	4	3	2	6	3	6	2	11	4	0	8*s.* 6*d.* 1 G acc. stren.
1827	4⅜	5¼	4¼	4⅝	3⅜	4⅛	3¾	3⅜	—	3	0	4	0	3	0	4	0	3	0	4	6	3	6	4	9	—
1828	3¾	4	3¾	3⅞	3¼	3⅝	3¾	4	—	3	4	4	9	3	2	4	9	3	2	4	9	3	2	4	9	—
1829	3½	4⅛	3¾	4	3½	3⅝	3⅝	4	—	3	2	4	9	3	0	4	4	2	6	4	4	2	2	4	0	—
1830	-	-	3⅝	4⅛	3⅝	4⅛	3⅝	4⅛	—	2	2	3	8	2	3	3	8	2	0	3	8	2	0	3	8	{ June. 9*s.* ditto.
1831	3⅝	4⅛	3¾	4¼	3¼	4¼	3⅝	4⅛	—	2	0	3	8	2	2	3	8	1	10	3	8	1	11	3	8	—
1832	3⅝	4	3⅝	4¼	3⅝	4⅛	3⅝	4⅛	—	1	10	3	8	2	1	3	8	2	2	3	9	2	1	3	9	—
1833	3⅝	3⅝	4	4⅛	4	4⅛	4	4⅛	—	2	2	3	9	2	2	3	6	2	6	3	6	2	4	3	6	—
1834	4	4⅛	4	4⅛	4	4⅛	3¾	4⅛	—	2	6	3	6	2	8	3	8	2	5	3	6	2	6	3	6	—
1835	4⅛	4⅜	4⅛	4⅜	4⅛	-	5¼	5⅜	—	2	7	3	6	2	8	3	6	2	8	3	8	2	9	3	9	—
1836	5	-	4¾	5	4⅛	5	4	4⅜	—	2	9	3	10	2	9	3	10	3	6	4	10	4	0	5	0	—
1837	3½	4	3¾	4	3	3⅜	3	4⅛	—	4	0	5	2	3	3	4	8	3	9	4	3	3	0	5	0	—
1838	4	4½	4	4⅛	-	-	-	-	—	3	1	5	0	3	1	5	0	-	-	-		-	-	-		—

SUGAR, East India, White, in Bond.

Year.	Per Cwt.								Duty.
	s.	s.	s.	s. d.	s.	s.	s. d.	s.	
1782	None		-	-	-	-	-	-	- -
1783									
1784									
1785									
1786									
1787									
1788									
1789									
1790									
1791									
1792									
1793	-	-	69 *a* 72	0	54 *a* 71		-	-	37*l.* 16*s.* 10*d.* per cwt. on sale price.
1794	-	-	52	80	60	78	-	-	38*l.* 5*s.* 6*d.*
1795	70 *a* 81		60	70 0	-	-	66 0 *a* 78		—
1796	-	-	60	70 0	68	80	-	-	—
1797	-	-	55	78 0	60	85	-	-	—
1798	-	-	53	76 0	65	96	-	-	—
1799	-	-	96	115 0	56	80	-	-	—
1800	-	-	50	70 0	62	84	-	-	—
1801	-	-	67	84 0	60	74	-	-	—
1802	-	-	60	75 0	46	52	-	-	—
1803	-	-	45	65 0	50	70	-	-	22*s.* $\frac{4}{9}$ cwt. and 12½ per cent. thereon.
1804	50	65	68	75 0	-	-	55 0	72	29*s.* 1¼*d.*
1805	-	-	67	77 0	62	72	-	-	29*s.* 8*d.*
1806	-	-	62	72 0	50	65	-	-	31*s.*
1807	56	70	35	50 0	-	-	50 0	70	—
1808	-	-	48	56 0	54	62	-	-	—
1809	50	54	46	50 0	-	-	55 0	65	30*s.*
1810	55	60	61	66 0	-	-	48 0	56	—
1811	54	62	44	56 0	-	-	53 0	60	—
1812	55	65	48	55 0	-	-	53 0	65	—
1813	55	60	56	68 0	-	-	64 0	75	30*s.* 33*s.* 30*s.*
1814	55	65	74	78 0	-	-	60 0	70	—
1815	-	-	60	75 0	55	57	-	-	37*s.*
1816	-	-	60	75 0	47	60	-	-	—
1817	46	61	43	55 0	58	66	51 0	60	—
1818	53	60	55	63 0	-	-	46 0	60	—
1819	-	-	46	59 0	35	50	-	-	—
1820	40	49	30	50 0	32	50	33 0	50	—
1821	32	54	-	-	-	-	30 0	40	—
1822	32	40	32	45 0	-	-	30 0	39	—
1823	29	40	32	48 0	28	40	27 0	36	—
1824	29	35	29	35 0	26	35	26 0	35	—
1825	28	36	35	46 0	35	40	36 0	40	—
1826	34	40	30	36 0	32	37	34 0	39	—
1827	35	41	35	41 0	36	42	34 0	39	—
1828	32	38	34	38 0	34	38	32 0	40	—
1829	32	40	30	39 0	28	36	26 0	34	—
1830	28	36	31	37 0	30	35	28 0	35	—
1831	26	33	26	32 0	23	28	23 6	29	—
1832	23	29	23	30 0	26	31	26 0	30	—
1833	25	30	24	30 0	25	30	24 0	32	—
1834	24	32	25	35 0	25	31	26 0	32	—
1835	26	32	27	33 0	30	34	32 0	37	—
1836	37	39	37	39 0	39	44	34 0	36	—
1837	30	37	30	36 6	41	43	43 0	51	March. 24*s.*
1838	41	44	36	41 0	-	-	-	-	—

SUGAR, East India, Brown, In Bond.

Per Cwt.									Duty.
s.	s.	d.	s.	d.	s.	d.	s.	s.	
None.									
									37*l.* 16*s.* 10*d.* per cwt. on sale price.
									38*l.* 5*s.* 6*d.*
42 *a* 65	0		40 0 *a* 58	0	-	-	45 *a* 60		—
-	-		40 0	55 0	43 *a* 62	0	-	-	—
-	-		30 0	50 0	30	55 0	-	-	—
-	-		30 0	50 0	35	60 0	-	-	—
-	-		34 0	80 0	30	55 0	-	-	—
-	-		32 0	45 0	40	60 0	-	-	—
-	-		32 0	53 0	20	42 0	-	-	—
-	-		20 0	46 0	15	40 0	-	-	—
-	-		15 0	40 0	20	45 0	-	-	22*s.* $\frac{4}{9}$ cwt. and 12½ per cent. thereon.
30	46	0	42 0	56 0	-	-	43	50	29*s.* 1¼*d.*
-	-		51 0	62 0	41	55 0	-	-	29*s.* 8*d.*
-	-		41 0	55 0	28	45 0	-	-	31*s.*
30	55	0	20 0	33 0	-	-	25	45	—
-	-		24 0	45 0	42	52 0	-	-	—
38	48	0	30 0	40 0	-	-	42	50	30*s.*
45	50	0	50 0	60 0	-	-	37	45	—
40	52	0	31 0	43 0	-	-	40	51	—
40	50	0	39 0	45 0	-	-	40	51	—
41	52	0	46 0	54 0	-	-	56	60	30*s.* 33*s.* 30*s.*
48	54	0	53 0	65 0	-	-	30	42	—
-	-		30 0	48 0	28	40 0	-	-	37*s.*
-	-		40 0	55 0	34	45 0	-	-	—
36	46	0	30 0	42 0	48	56 0	37	52	—
37	52	0	39 0	54 0	-	-	34	45	—
-	-		34 0	45 0	21	35 0	-	-	—
21	35	0	18 0	32 0	18	32 0	18	32	—
18	32	0	15 0	29 0	18	32 0	11	30	—
11	30	0	14 0	28 0	14	28 0	15	30	—
14	29	0	20 0	28 0	18	24 0	18	24	—
20	24	0	20 0	24 0	18	20 0	18	20	—
20	22	0	28 0	29 0	30	31 0	32	33	—
30	32	0	25 0	27 0	24	26 0	28	29	—
30	31	0	30 0	32 0	32	33 0	30	34	—
30	30	6	31 0	32 6	31	31 6	27	30	—
28	31	0	27 0	29 0	25	27 0	21	22	—
23	29	0	25 0	30 0	25	29 0	25	27	—
23	25	0	23 0	25 0	21	22 0	22	23	—
20	22	0	20 0	22 0	24	25 0	22	25	—
23	24	0	22 0	23 0	22	24 0	22	23	—
22	24	0	-	-	-	-	22	24	—
26	28	0	-	-	-	-	27	31	—
34	35	0	34 0	35 0	38	38 6	30	33	—
21	29	0	21 6	29 0	30	38 0	38	44	March. 24*s.*
30	37	0	23 0	29 0	-	-	-	-	—

Year.	SUGAR, Havannah White, for Exportation. Per Cwt.						SUGAR, Muscovados. No Gazette Average till 1805, then Gazette Average. Per Cwt.						Duty.
	s.	s.	s.	s.	s. d.	s.	s.	s.	s. d.	s.	s. d.	s.	
1782	None		None		None		None		- -	40	0 a 63	26	0 a 40 - -	12s. $3\frac{2}{20}$d.
1783	-	-	-	-	- -	-	-		- -	29	0 46	22	0 25 - -	—
1784	-	-	-	-	- -	-	-		- -	18	0 34	28	0 46 - -	—
1785	-	-	-	-	- -	-	-		- -	26	0 42	23	0 38 - -	—
1786	-	-	-	-	- -	-	-		- -	29	0 40	41	0 48 - -	—
1787	-	-	-	-	- -	-	-		38 0 a 47	24	0 37	-	- 31	0 a 41 —
1788	-	-	-	-	- -	-	-		- -	34	0 46	29	0 41 - -	—
1789	-	-	-	-	- -	-	-		- -	31	0 43	35	0 47 - -	—
1790	-	-	-	-	- -	-	-		- -	38	0 45	45	0 46 - -	—
1791	-	-	-	-	- -	-	-		- -	47	0 59	58	0 65 - -	May. 15s.
1792	-	-	-	-	- -	-	-		- -	63	0 76	40	0 68 - -	—
1793	-	-	-	-	- -	-	-		- -	53	0 73	41	0 66 - -	—
1794	-	-	-	-	- -	-	-		- -	40	0 67	32	0 58 - -	—
1795	-	-	-	-	- -	-	-		- -	42	0 66	63	0 75 - -	—
1796	-	-	-	-	- -	-	-		- -	61	0 75	65	0 78 - -	—
1797	-	-	-	-	- -	-	-		- -	52	0 74	57	0 75 - -	17s. 6d.
1798	-	-	-	-	- -	-	-		59 0 77	57	0 75	-	- 62	0 83 19s. 4d.
1799	-	-	-	-	- -	-	-		60 0 83	62	0 87	50	0 67 28	0 50 {17s. 6d. 18s. 2d. 20s.
1800	-	-	-	-	- -	-	-		32 0 54	38	0 59	34	0 54 54	0 70 —
1801	74 a 90		-	-	- -	50 a 60			59 0 75	47	0 68	35	0 62 32	0 54 {May. 21s. 10d.
1802	55	70	-	-	- -	48	67		33 0 55	26	0 50	-	- 29	0 52 20s.
1803	59	69.	-	-	- -	70	85		30 0 53	40	0 60	38	0 58 41	0 60 —
1804	66	84	70 a 94		- -	60	88		46 0 62	52	0 66	51	0 62 52	0 64 {May. 26s. 6d.
1805	60	80	-	-	- -	70	90		58 $7\frac{1}{2}$ -	49	6 -	55	$0\frac{1}{2}$ - 47	10 - 27s.
1806	66	87	-	-	55 0 a 70	None			49 6 -	45	0 -	-	- 36	6 - —
1807	None		-	-	50 0 64	40	46		37 10 -	30	9 -	-	- 32	6 - —
1808	36	46	-	-	- -	50	65		- -	31	8 -	49	9 - -	- —
1809	50	58	-	-	- -	56	62		51 2 -	35	8 -	-	- 50	6 - {July. Scale d. 27s. a 30s.
1810	55	66	-	-	60 0 75	38	51		49 6 -	53	11 -	-	- 42	$8\frac{1}{2}$ - 27s. 29s. 28s.
1811	36	51	-	-	30 0 46	42	56		44 9 -	34	11 -	-	- 44	5 - 27s.
1812	54	66	-	-	- -	60	78		43 5 -	41	7 -	-	- 49	6 - —
1813	66	82	72	86	70 0 83	105	120		51 $2\frac{1}{2}$ -	63	8 -	54	0 - 75	$4\frac{1}{2}$ - 30s.
1814	106	126	110	134	85 0 112	96	128		77 $3\frac{1}{2}$ -	97	2 -	90	3 - 54	3 - —
1815	94	120	-	-	74 0 90	84	95		75 $5\frac{1}{2}$ -	56	$8\frac{1}{2}$ -	63	$2\frac{1}{2}$ - 57	$0\frac{1}{2}$ - —
1816	80	94	-	-	50 0 70	52	73		59 $6\frac{1}{2}$ -	45	0 -	-	- 49	$0\frac{1}{2}$ - 27s.
1817	52	70	-	-	58 0 73	54	70		50 $0\frac{1}{2}$ -	43	$9\frac{1}{2}$ -	54	$1\frac{1}{2}$ - 49	$11\frac{1}{2}$ - —
1818	54	70	-	-	68 0 76	52	66		54 $9\frac{1}{2}$ -	48	10 -	52	$9\frac{1}{2}$ - 47	0 - —
1819	52	66	-	-	42 0 58	48	60		50 $9\frac{1}{2}$ -	38	6 -	42	$5\frac{1}{2}$ - 35	$8\frac{1}{2}$ - {30s. 28s. 27s.
1820	42	58	-	-	56 0 70	46	62		34 $3\frac{1}{2}$ -	35	$6\frac{3}{4}$ -	37	$4\frac{1}{2}$ - 35	$5\frac{3}{4}$ - 27s.
1821	-	-	50	58	- -	35	42		35 $4\frac{1}{2}$ -	35	$0\frac{1}{4}$ -	34	$8\frac{1}{2}$ - 29	$4\frac{3}{4}$ - —
1822	35	42	-	-	32 0 37	40	48		31 10 -	34	$0\frac{3}{4}$ -	28	5 - 30	$4\frac{3}{4}$ - —
1823	36	46	43	52	37 0 45	37	44		27 $2\frac{3}{4}$ -	37	$1\frac{3}{4}$ -	31	$7\frac{3}{4}$ - 32	$9\frac{1}{4}$ - —
1824	35	42	34	42	33 0 40	34	40		34 $5\frac{1}{2}$ -	33	$6\frac{3}{4}$ -	30	$2\frac{1}{2}$ - 29	$6\frac{3}{4}$ - —
1825	37	40	47	52	49 0 55	50	57		31 $10\frac{3}{4}$ -	41	5 -	38	$9\frac{1}{2}$ - 38	$1\frac{1}{2}$ - —
1826	44	50	42	46	37 0 44	38	44		39 2 -	35	6 -	30	$1\frac{3}{4}$ - 30	$8\frac{1}{2}$ - —
1827	41	45	42	48	46 0 48	45	51		35 0 -	32	6 -	35	6 - 36	6 - —
1828	44	49	44	49	44 0 49	45	51		37 1 -	38	0 -	34	0 - 31	$6\frac{1}{4}$ - —
1829	43	49	41	48	42 0 50	46	48		30 $8\frac{1}{2}$ -	30	1 -	29	$4\frac{1}{2}$ - 25	8 - —
1830	-	-	38	45	34 0 45	35	40		22 8 -	24	$4\frac{1}{2}$ -	23	10 - 24	$10\frac{3}{4}$ - —
1831	30	40	31	38	29 0 36	26	34		25 3 -	25	$5\frac{1}{4}$ -	22	$10\frac{1}{2}$ - 23	$3\frac{1}{4}$ - —
1832	28	34	29	36	31 0 37	32	36		23 $5\frac{1}{4}$ -	30	6 -	29	$0\frac{1}{4}$ - 28	$4\frac{3}{4}$ - —
1833	30	36	26	32	27 0 33	30	35		28 $4\frac{1}{2}$ -	25	$8\frac{1}{2}$ -	28	$11\frac{3}{4}$ - 31	1 - 24s.
1834	29	34	28	33	27 0 32	30	33		32 0 -	33	0 -	31	4 - 31	$4\frac{3}{4}$ - —
1835	32	34	32	35	36 6 38	Uncertain			29 $11\frac{3}{4}$ -	30	$5\frac{3}{4}$ -	31	$0\frac{1}{4}$ - 37	$11\frac{1}{4}$ - —
1836	Uncertain		43	48	53 0 55	40	45		39 $4\frac{1}{4}$ -	38	$0\frac{1}{4}$ -	45	$5\frac{1}{4}$ - 40	2 - —
1837	34	38	33	39	41 0 46	36	41		35 $10\frac{3}{4}$ -	34	$4\frac{3}{4}$ -	32	$6\frac{3}{4}$ - 37	$4\frac{1}{2}$ - —
1838	36	42	42	47	- -	-	-		42 $1\frac{1}{2}$ -	33	3 -	-	- -	- -

Year.	TALLOW, Russia Y. C. Cwt.								Duty.	TAR, Stockholm. Per Barrel.								Per last 12 Barrel. Duty.
	s. *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*		*s.* *d.*	*s.*	*s.* *d.*	*s.* *d.*	*s.* *d.*	*s.*	*s.* *d.*	*s.* *d.*	
1782	-	-	37 0 *a* 40 0		36 0 *a* 38 0		-	-	Free.	-	-	23 0 *a* 24 0		24 0 *a* 25		-	-	12*s.* 4½*d.*
1783	-	-	36 0	39 0	29 0	32 0	-	-	—	-	-	20 0	22 0	14 0	15	-	-	—
1784	-	-	33 0	36 0	44 0	46 0	-	-	—	-	-	20 0	28 0	15 0	16	-	-	—
1783	45 0 *a* 47 0		42 0	43 0	-	-	47 0 *a* 48 0		—	-	-	16 0	17 0	15 0	16	-	-	—
1786	46 0	48 0	48 0	50 0	-	-	56 0	57 0	—	-	-	17 0	18 0	19 0	20	-	-	—
1787	-	-	56 0	57 0	47 0	48 0	-	-	—	15 0 *a* 16		17 0	18 0	-	-	15 0 *a* 16	0	—
1788	46 0	47 0	33 0	34 0	-	-	38 0	40 0	—	-	-	14 0	15 0	12 0	13	-	-	—
1789	39 0	41 0	45 0	46 0	-	-	42 0	44 0	—	-	-	13 0	15 0	14 0	16	-	-	—
1790	-	-	41 0	43 0	-	-	44 0	45 0	—	14 0	16	19 0	20 0	-	-	13 0	14 0	—
1791	40 0	42 0	39 0	40 0	-	-	47 0	48 0	—	12 0	13	16 0	17 0	-	-	13 0	15 0	—
1792	47 0	48 0	42 0	43 0	-	-	46 0	47 0	—	-	-	14 0	15 0	-	-	-	-	—
1793	-	-	47 0	48 0	38 0	39 0	-	-	—	18 0	19	20 0	24 0	-	-	21 0	22 0	—
1794	-	-	38 0	39 0	50 0	51 0	-	-	—	22 0	23	23 0	24 0	-	-	21 0	23 0	—
1795	56 0	58 0	78 0	80 0	-	-	63 0	64 0	—	23 0	24	27 0	28 0	-	-	23 0	24 0	—
1796	-	-	68 0	70 0	58 0	60 0	-	-	—	23 0	24	28 0	29 0	-	-	21 0	22 0	13*s.*
1797	56 0	62 0	46 0	47 0	-	-	49 0	50 0	—	24 0	25	21 0	22 0	-	-	22 0	23 0	13*s.* 7$\frac{7}{20}$*d.*
1798	-	-	49 0	50 0	56 0	57 0	-	-	1*s.* 6*d.*	-	-	22 0	23 0	27 0	28	-	-	16*s.* 0$\frac{7}{20}$*d.*
1799	-	-	56 0	57 0	65 0	66 0	-	-	—	-	-	30 0	31 0	27 0	28	-	-	—
1800	-	-	58 0	59 0	66 0	68 0	-	-	—	-	-	27 0	28 0	32 0	34	-	-	—
1801	68 0	70 0	75 0	76 0	51 0	52 0	58 0	59 0	—	-	-	34 0	35 0	19 0	20	-	-	—
1802	63 0	64 0	59 0	60 0	-	-	64 0	66 0	—	-	-	20 0	22 0	25 0	27	-	-	—
1803	-	-	67 0	68 0	76 0	77 0	-	-	2*s.* 0$\frac{4}{20}$*d.*	-	-	27 0	28 0	21 0	23	-	-	14*s.* 11*d.*
1804	72 0	75 0	68 0	69 0	-	-	70 0	71 0	2*s.* 3$\frac{1}{20}$*d.*	23 0	24	21 0	23 0	36 0	38	-	-	16*s.* 7*d.*
1805	67 0	68 0	61 0	62 0	-	-	68 0	70 0	2*s.* 4*d.*	36 0	38	26 0	28 0	-	-	33 0	34 0	17*s.* 10*d.*
1806	-	-	66 0	67 0	54 0	55 0	-	-	2*s.* 6*d.*	-	-	33 0	36 0	26 0	27	-	-	19*s.* 0$\frac{9}{20}$*d.*
1807	-	-	53 0	54 0	71 0	72 0	-	-	—	-	-	26 0	27 0	32 0	33	-	-	—
1808	-	-	70 0	71 0	110 0	112 0	-	-	—	-	-	34 0	35 0	48 0	50	-	-	—
1809	106 0	110 0	Uncertain		79 0	82 0	91 0	93 0	2*s.* 8*d.*	48 0	50	40 0	42 0	-	-	50 0	51 0	17*s.* 10*d.*
1810	-	-	83 0	84 0	64 0	65 0	-	-	—	51 0	53	35 0	36 0	-	-	48 0	50 0	—
1811	-	-	61 0	62 0	74 0	75 0	-	-	—	-	-	46 0	48 0	35 0	36	-	-	—
1812	-	-	72 0	73 0	88 0	90 0	-	-	—	-	-	33 0	34 0	38 0	39	-	-	—
1813	88 0	90 0	82 0	84 0	-	-	98 0	100 0	3*s.* 2*d.*	33 0	34	30 0	31 0	48 0	54	36 0	38 0	21*s.* 4½*d.*
1814	107 0	110 0	77 0	78 0	-	-	87 0	88 0	—	36 0	38	26 0	27 0	35 0	36	32 0	34 0	—
1815	-	-	81 0	82 0	59 0	60 0	-	-	—	26 0	29	35 0	37 0	-	-	21 0	22 0	—
1816	52 0	55 0	46 0	47 0	-	-	51 0	52 0	—	20 0	21	14 0	15 0	-	-	20 0	21 0	—
1817	53 0	55 0	51 0	52 0	-	-	76 0	77 0	—	20 0	21	17 0	18 0	-	-	18 0	19 0	—
1818	75 0	76 0	77 0	78 0	89 0	90 0	82 0	83 0	—	19 0	20	21 0	22 0	18 0	19	21 0	22 0	—
1819	70 0	71 0	62 0	63 0	-	-	51 0	52 0	—	21 0	22	16 0	17 0	-	-	20 0	21 0	21*s.* 6*d.*
1820	53 0	54 0	-	-	62 0	63 0	47 0	48 0	—	20 0	21	-	-	14 0	16	-	-	—
1821	47 0	48 0	43 0	44 0	39 0	40 0	43 0	44 0	—	15 0	-	14 0	15 0	15 0	16	21 0	-	—
1822	41 0	42 0	54 0	55 0	31 0	32 0	33 0	34 0	—	23 0	24	-	-	16 0	17	18 0	19 0	—
1823	34 6		32 0		31 0	31 6	34 6		—	19 0	-	21 0	22 0	18 0	-	18 6	-	—
1824	31 0	31 6	31 3	31 6	32 6	32 9	32 0	32 6	—	18 6	19	18 6	-	17 0	-	15 9	16 0	—
1825	37 6	38 0	36 6	37 0	32 0		35 0	35 3	—	15 6	16	18 0	-	15 6	-	16 0	16 6	—
1826	34 0		29 0		29 0	29 3	34 3	34 6	—	17 0	-	17 0	-	15 0	-	16 6	-	15*s.*
1827	35 3	35 6	34 3	34 6	33 6	34 0	34 0	34 6	—	17 0	-	17 0	-	17 0	-	15 0	-	—
1828	34 9	35 0	37 0	37 6	33 0	33 9	36 0	36 3	—	14 6	-	14 6	15 0	14 6	-	14 6	-	—
1829	36 6	37 0	34 0	35 0	34 0	37 9	32 6	32 9	—	14 6	-	14 0	-	14 0	-	14 0	-	—
1830	-	-	31 3	31 6	32 3	32 6	38 6	39 0	—	17 0	-	17 0	-	14 0	-	16 0	-	—
1831	43 0	44 6	44 0	45 0	39 0	40 0	39 0	39 3	—	15 0	-	16 0	-	16 0	-	13 9	-	—
1832	39 3	43 0	39 6		38 6		40 3	40 6	—	13 9	-	13 6	-	13 6	-	13 6	-	—
1833	44 0	44 3	40 6		43 6	44 0	41 9	42 0	—	13 6	-	13 6	13 9	13 9	-	13 0	-	—
1834	40 0	40 3	40 6	41 3	39 3	40 3	37 6	38 0	—	13 6	-	14 0	-	13 9	-	12 6	-	—
1835	37 3	37 6	33 0	34 0	36 0	37 6	38 6	39 0	—	12 6	-	12 6	-	12 6	-	12 0	-	—
1836	40 6	41 0	41 0		41 0		43 6		—	12 0	-	13 6	-	13 6	14	13 9	-	—
1837	41 6	46 0	41 9		37 0	37 6	38 6	39 0	—	14 6	-	15 6	-	14 9	15	15 0	-	—
1838	42 6	-	47 0	48 0	-	-	-	-	—	15 6	-	16 6	-	-	-	-	-	—

Year	TEA, Congou, in Company's Warehouse. Per lb.								Duty.	TEA, Hyson, in Company's Warehouse. Per lb.								Duty.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.		s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
1782	-	-	4 6	a5 6	4 4	a5 2	-	-	C. 25l. 16s. 3d. per cent. E. 27l. per ct. and 1s. 1¼d. per lb.	-	-	7 6	a13 6	6 8	a11 6	-	-	C. 25l. 16s. 3d. per cent. E. 27l. per ct. and 1s. 1¼d. per lb.
1783	-	-	4 4	5 6	4 0	5 0	-	-	C. 27l. 0s. 10d. per cent. E. 28l. 3s. 4d. per cent. and 1s. 1d. per lb.	-	-	7 2	12 0	6 0	11 0	-	-	C. 27l. 0s. 10d. per cent. E. 28l. 3s. 4d. per cent. and 1s. 1d. per lb.
1784	-	-	4 8	6 4	3 10	4 8	-	-	Oct. 12½ per cent.	-	-	7 3	12 0	4 10	9 0	-	-	Oct. 12½ per cent.
1785	-	-	3 10	5 0	2 8	5 6	-	-	—	-	-	4 8	9 0	5 0	8 6	-	-	—
1786	2 10	a5 6	3 4	7 0	-	-	2 6	a6 0	—	-	-	5 8	9 0	4 10	7 6	-	-	—
1787	-	-	2 10	5 3	2 9	4 8	-	-	—	-	-	5 2	8 6	4 2	8 0	-	-	—
1788	-	-	3 0	6 4	2 9	5 0	-	-	—	-	-	4 6	9 6	4 6	8 0	-	-	—
1789	-	-	2 10	5 0	2 6	4 9	-	-	—	-	-	4 6	9 0	-	-	-	-	—
1790	-	-	2 6	4 9	2 9	4 6	-	-	—	-	-	4 6	9 0	5 0	9 6	-	-	—
1791	-	-	2 9	4 9	3 0	5 0	-	-	—	4 10	a9 6	4 6	9 6	-	-	4 0	a9 6	—
1792	-	-	3 0	5 0	-	-	-	-	—	4 7	9 6	4 0	9 0	-	-	4 6	9 6	—
1793	-	-	3 0	5 0	2 6	3 0	-	-	—	4 6	9 6	4 0	8 0	-	-	4 6	9 10	—
1794	-	-	2 8	4 0	3 2	4 0	-	-	—	4 6	9 0	4 7	9 6	-	-	4 8	9 0	—
1795	-	-	3 2	4 6	2 11	4 0	-	-	—	-	-	4 8	8 0	4 7	8 0	-	-	—
1796	-	-	2 11	4 0	2 9	4 5	-	-	20s. pr. cent	-	-	4 6	8 0	5 0	8 0	-	-	20s. pr. cent.
1797	-	-	2 10	4 5	2 4	3 9	-	-	30s. pr. cent.	-	-	4 7	8 6	4 8	8 0	-	-	30s. pr. cent.
1798	-	-	3 0	3 9	3 4	3 9	-	-	—	-	-	4 4	8 0	4 6	8 2	-	-	—
1799	3 5	3 9	2 5	2 7	-	-	2 7	3 1	—	4 6	8 2	4 7	7 0	-	-	3 10	5 8	—
1800	2 10	3 4	2 10	3 7	-	-	3 4	3 7	—	4 0	7 0	4 2	6 0	-	-	4 2	6 6	—
1801	3 4	3 7	3 4	3 6	-	-	2 10	3 8	—	4 2	6 6	4 2	5 6	-	-	4 3	6 6	—
1802	3 0	3 8	3 0	3 9	-	-	2 11	3 8	—	4 3	6 6	4 4	6 6	-	-	5 0	6 0	—
1803	2 11	3 8	2 8	3 8	-	-	2 6	3 2	65s. pr. cent.	5 0	6 0	5 0	5 6	-	-	4 5	4 10	65s. pr. cent.
1804	-	-	2 8	3 3	3 1	3 6	-	-	—	-	-	4 2	4 10	4 7	5 4	-	-	—
1805	-	-	3 1	3 6	2 11	3 8	-	-	—	-	-	4 7	5 4	4 8	5 9	-	-	—
1806	-	-	2 11	3 8	2 4	3 7	2 6	3 5	—	4 8	5 9	4 9	5 8	-	-	4 10	5 10	—
1807	-	-	2 10	3 9	3 1	3 8	-	-	96s. pr. cent.	-	-	4 10	5 8	4 7	6 2	-	-	96s. pr. cent.
1808	-	-	3 2	3 8	3 0	3 7	-	-	—	-	-	4 7	6 0	4 8	5 9	-	-	—
1809	-	-	3 0	3 7	3 1	3 10	-	-	—	-	-	4 8	5 8	5 0	6 0	-	-	—
1810	-	-	3 1	3 10	3 0	3 6	-	-	—	-	-	4 11	5 10	4 7	5 6	-	-	—
1811	-	-	2 11	3 6	3 0	3 8	-	-	—	-	-	-	-	-	-	-	-	—
1812	3 0	3 8	3 2	3 8	-	-	3 0	3 8	—	4 7	5 6	4 9	6 0	-	-	4 7	5 6	—
1813	-	-	2 11	3 7	3 3	3 9	-	-	—	4 9	6 0	4 9	5 6	-	-	4 11	6 0	—
1814	-	-	3 5	3 10	3 3	3 9	-	-	—	4 11	6 0	4 9	5 10	-	-	6 1	7 6	—
1815	3 3	3 9	3 2	3 7	-	-	2 7	3 11	—	-	-	6 2	7 6	6 0	6 10	-	-	—
1816	2 7	3 11	2 6	3 6	-	-	2 9	3 7	—	-	-	6 0	6 10	5 6	6 6	-	-	—
1817	-	-	2 9	3 5	2 11	3 7	-	-	—	5 9	6 3	4 7	5 9	-	-	4 6	6 0	—
1818	3 1	3 7	2 11	3 7	2 10	3 5	-	-	—	4 6	6 0	4 6	5 9	-	-	4 6	6 0	—
1819	-	-	2 10	3 6	2 4	3 6	-	-	100s. p.c. above 2s. 96s. p. c. under 2s.	4 6	6 0	4 2	5 10	4 5	6 4	4 6	6 0	100s. p. ct. above 2s. 96s. p. ct. under 2s.
1820	2 5	3 7	2 4	3 4½	2 3	3 5	2 4	3 6	—	5 1	5 10	-	-	5 4	6 0	5 7	6 4	—
1821	2 4	3 6½	2 6	3 6	2 7½	3 3	2 8	3 7	—	5 5	6 2	-	-	5 3	5 11	4 5	6 0	—
1822	2 8	3 7	2 6	3 9	2 6	3 9	2 7	3 9	—	4 3	6 0	-	-	3 11	6 0	3 7	5 10	—
1823	2 6	3 10	2 6	3 9	2 6	3 7	2 7	3 8	—	3 7	5 10	4 2	6 5	3 7	5 9	3 8	6 0	—
1824	2 7½	3 9	2 7	3 9	2 6½	3 2	2 6	3 8	—	3 8	6 0	3 9½	5 10	3 7	5 6	3 10	5 10	—
1825	2 6½	3 8	2 7	3 9	2 6½	3 9	2 7½	3 7	—	3 10½	5 10	3 11	5 10	4 0	5 10	4 4	6 0	—
1826	2 6	3 7	2 4	3 2	2 2½	3 2	2 1½	3 5	—	4 1	6 0	4 0½	5 5	4 2	5 5	4 8	6 0	—
1827	2 2	3 5	2 3½	3 5	2 2½	3 5	2 1½	3 2	—	4 7½	5 9	4 7	5 5	4 5	5 7	4 9	5 9	—
1828	2 1½	3 3	2 1½	3 3	2 2½	2 9	2 3	3 5	—	4 0	6 0	4 1	5 6	3 11	5 8	3 8	5 7	—
1829	2 2½	3 5	2 1½	3 6	2 1½	3 6	2 0½	3 4	—	3 9	5 11	3 9	5 10	3 7½	5 4	3 8	5 5	—
1830	2 0	3 2	2 1	3 2	2 2	3 2	2 1½	3 6	—	3 9	6 0	3 8½	5 10	4 2	5 10	3 9	5 0	—
1831	2 1½	3 6	2 1	3 4	2 0½	3 2	2 1½	3 2	—	3 9	5 0	3 9	5 0	3 8½	5 6	3 8½	5 6	—
1832	2 1½	3 2	2 0½	3 2	2 1	3 2½	2 1	3 2	—	3 8½	5 6	3 5½	5 4½	3 3½	4 8½	3 3½	4 8½	—
1833	2 0½	3 1	1 11½	3 0	2 1½	3 0½	2 0½	3 0	—	3 1½	4 8	3 0½	5 6	3 1½	5 7	3 2½	5 3	—
1834	1 11	2 10	1 10½	2 6	1 10½	2 6	1 7½	4 1	Ap. 2s. 2d. ⅓ lb.	3 1½	5 3	3 0½	5 0½	3 0½	5 0½	2 11½	5 6	Ap. 3s. 3d. per lb.
1835	1 7½	3 7	1 7½	3 7	1 3	2 2½	1 1	2 8	—	3 2½	5 9	3 2½	5 0	2 2	5 0	2 2	4 0	—
1836	1 7	2 8	1 0½	3 0	1 1½	2 10	1 0	2 4½	—	2 2	5 4	2 8	6 2	2 6	6 3	2 4	4 2	—
1837	10½	2 9	11	2 7	9½	2 6	1 3	3 0	—	2 1½	5 3	1 11	4 2	1 8½	4 0	2 3½	6 6	—
1838	1 7½	3 4	1 6½	3 3½	-	-	-	-	-	2 3½	6 6	2 3	5 7	-	-	-	-	-

Year.	TIMBER.—Memel Fir. Per Load.								Duty.	TIMBER.—Quebec Yellow Pine. Per Load.								Duty.
	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.		£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	
1782	-	-	3 5	-	3 10	-	-	-	4s. 1d.	-	-	None						
1783	-	-	3 10	-	1 12	-	-	-	—									
1784	-	-	1 15	-	2 10	-	-	-	—	-	-	1 10	-	2 15	-	-	-	Free.
1785	1 15	-	2 5	-	-	-	1 13	-	—	-	-	2 0	a 2 6	1 10	a 1 15	-	-	—
1786	1 17	-	2 0	-	1 15	-	-	-	—	-	-	1 11	-	1 18	-	-	-	—
1787	-	-	1 12	-	1 5	a 1 10	-	-	6s. 8d.	-	-	2 0	2 5	1 10	2 0	-	-	—
1788	-	-	1 15	-	1 11	1 14	-	-	—	1 11	a 2 0	1 15	-	-	-	2 5	-	—
1789	-	-	1 7	a 1 8	1 11	-	-	-	—	1 15	-	2 5	-	1 10	-	1 15	-	—
1790	-	-	1 10	1 15	2 0	2 5	-	-	—	1 10	-	1 15	-	1 19	-	2 3	-	—
1791	2 2	-	3 0	3 2	-	-	2 11	-	—	-	-	2 3	-	1 16	2 0	-	-	—
1792	2 8	-	2 13	-	-	-	2 0	-	—	-	-	1 17	-	2 2	-	-	-	—
1793	-	-	2 8	2 9	2 3	-	-	-	—	-	-	1 17	-	2 2	-	-	-	—
1794	2 16	-	2 5	-	-	-	2 18	-	—	3 0	-	2 10	-	-	-	2 15	-	—
1795	-	-	2 15	3 0	4 0	-	-	-	—	3 10	-	3 15	-	-	-	3 5	-	—
1796	-	-	3 2	-	2 10	2 15	-	-	—	-	-	3 5	-	2 15	-	-	-	—
1797	-	-	2 15	-	3 5	3 10	-	-	10s.	2 16	2 17	2 0	-	-	-	2 15	a 2 16	—
1798	-	-	2 10	3 0	3 3	3 5	-	-	—	3 10	3 15	3 0	3 10	-	-	5 10	6 0	—
1799	-	-	3 8	3 10	4 18	5 0	-	-	—	-	-	3 15	4 0	-	-	-	-	—
1800	-	-	5 10	5 15	5 15	6 0	-	-	—	-	-	4 10	4 15	4 15	5 0	-	-	—
1801	-	-	5 15	6 0	4 5	4 10	-	-	—	-	-	5 0	5 10	4 10	4 15	-	-	—
1802	-	-	3 12	3 14	3 4	3 9	-	-	16s. 4d.	-	-	4 10	4 15	3 15	4 0	-	-	1s. 6d.
1803	3 10	a 3 15	5 5	6 5	-	-	3 15	a 4 5	—	3 18	4 3	5 8	5 18	-	-	5 13	6 8	—
1804	-	-	3 15	4 0	3 0	3 5	-	-	20s. to 25s.	4 18	5 8	3 18	5 15	-	-	3 12	4 2	1s. 6d. to 1s. 10½d.
1805	3 0	3 5	3 15	4 0	-	-	3 10	3 15	s. d. 25 to 25 6	3 18	4 18	4 18	5 18	-	-	4 8	5 13	1s. 10d. to 1s. 11d.
1806	-	-	3 10	3 15	6 8	6 13	-	-	s. d. 25 6 to 27 4	-	-	4 8	5 13	6 8	6 13	-	-	1s. 11d. to 2s.
1807	8 0	8 10	4 0	5 0	-	-	6 10	6 15	—	7 18	8 10	6 13	7 2	-	-	7 13	7 18	—
1808	-	-	6 10	7 0	15 10	17 0	-	-	—	-	-	7 10	7 15	10 15	16 0	-	-	—
1809	-	-	14 0	14 10	11 0	11 10	-	-	27s. 4d.	-	-	15 0	17 0	10 0	12 0	-	-	—
1810	10 10	11 0	8 10	9 10	-	-	11 10	-	—	-	-	-	-	-	-	-	-	—
1811	11 0	12 10	10 0	11 10	-	-	11 0	12 10	—	8 0	12 0	6 0	12 0	-	-	7 0	12 0	—
1812	-	-	9 10	10 0	8 10	9 0	-	-	54s. 8d.									
1813	7 10	8 0	5 10	7 0	-	-	8 0	9 0	64s. 11d.									
1814	-	-	7 5	7 15	4 10	5 10	-	-	—									
1815	-	-	5 0	5 10	3 5	3 15	-	-	—									
1816	-	-	3 5	3 15	2 5	3 5	-	-	—									
1817	3 5	3 15	2 10	2 15	-	-	3 5	-	—									
1818	-	-	3 5	3 10	3 10	3 15	-	-	—									
1819	-	-	3 10	3 15	2 5	2 15	-	-	65s.									
1820	2 15	3 0	2 10	2 13	2 10	-	2 15	-	—	3 8	-	3 8	-	3 8	-	3 0	-	12s. 6d. load. Free for Navy.
1821	-	-	3 5	-	3 10	-	2 10	-	55s.	2 13	2 15	-	-	-	-	3 0	3 3	—
1822	2 5	2 10	-	-	2 10	2 15	2 15	-	—	2 13	2 15	2 15	2 18	3 0	3 3	3 5	3 10	—
1823	2 5	-	3 0	-	2 10	-	2 5	2 10	—	3 15	-	4 2	-	4 0	-	3 15	-	10s.
1824	2 15	2 17	2 15	2 17	2 5	2 10	2 7	2 15	—	3 15	-	3 14	3 15	3 10	-	3 15	-	—
1825	3 0	-	3 0	-	-	-	2 15	3 0	—	3 15	4 0	3 15	4 0	3 17	-	3 15	3 17	—
1826	2 10	2 15	2 0	2 5	2 0	2 5	2 0	2 3	—	3 10	3 12	3 10	-	2 15	3 0	2 10	2 13	—
1827	2 5	2 7	2 5	2 7	2 5	2 7	2 5	2 7	—	2 10	2 13	2 10	2 13	2 10	2 13	2 13	2 15	—
1828	2 5	2 7	2 0	2 5	1 17	1 19	2 0	2 7	—	2 13	2 15	2 12	2 15	3 0	-	2 17	-	—
1829	2 2	2 10	2 2	2 10	2 2	2 10	2 3	2 7	—	2 15	2 17	2 17	3 0	2 17	3 0	2 17	3 0	—
1830	-	-	1 17	2 7	1 15	-	1 17	2 7	—	-	-	3 0	-	3 0	-	3 0	3 3	—
1831	2 2	2 10	2 2	2 10	2 5	2 10	2 10	3 0	—	3 0	3 3	3 0	3 3	3 3	3 5	3 3	3 5	—
1832	2 5	2 7	2 5	2 12	2 0	2 7	2 2	2 10	—	3 3	3 5	3 3	3 5	3 0	-	3 0	-	—
1833	2 10	2 15	2 10	-	2 3	2 10	2 5	2 10	—	3 0	-	3 0	-	2 15	3 0	2 15	3 0	—
1834	2 5	2 10	2 12	-	2 12	-	2 7	2 10	—	2 15	3 0	2 15	3 0	3 0	-	3 10	3 15	—
1835	2 7	2 12	2 7	2 12	2 5	2 12	2 7	2 12	—	3 10	3 15	3 10	3 15	3 5	3 10	3 5	3 10	—
1836	3 0	-	3 0	-	2 10	2 15	2 15	3 0	—	3 10	-	3 10	-	3 10	-	3 10	-	—
1837	2 10	2 17	2 12	2 15	2 10	2 17	2 15	2 17	—	13 0	-	3 10	-	3 5	3 10	3 5	3 10	—
1838	2 10	2 15	2 10	2 15					—	3 0	3 5	3 0	3 5	-	-	-	-	—

Year.	TIN, English, in Bars. Per Cwt.										TOBACCO, Virginia, in Bond. Per lb.							
	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	d.	d.	d.	d.	d.	d.
1782	-		-		83	0	-		83	2	-		-	-	10 *a*	17	11 *a*	20
1783	-		-		83	2	-		82	8	-		None.		5½	12	22½	6½
1784	-		-		82	8	-		-		-		-	-	4½	8½	2½	6½
1785	-		-		84	8	-		-		-		-	-	3½	5½	2¼	4½
1786	-		-		84	8	-		-		-		-	-	2½	4½	3	5
1787	-		-		84	8	-		-		-		-	-	2⅝	5	2¼	4½
1788	-		-		84	8	-		77	6	-		-	-	3	4⅝	2⅜	4⅝
1789	-		-		70	6	-		77	0	-		-	-	2½	4½		
1790	-		-		77	0	-		-		-		-	-	2½	4½	2½	3
1791	-		-		77	0	-		86	0	-		2½ *a*	4½	2	4	-	-
1792	-		-		92	6	-		103	6	-		-	-	2½	4½	2	4½
1793	-		-		103	6	-		105	6	-		-	-	2⅝	4½	2¼	5
1794	-		-		103	6	-		100	6	-		-	-	2½	4½	3	5
1795	-		-		100	6	-		99	6	-		-	-	3	5	3½	6½
1796	-		-		101	6	-		102	6	-		-	-	4½	7	5¼	8½
1797	-		-		102	6	-		-		-		-	-	6½	9	7½	12
1798	102	6	-		98	0	-		-		100	0	-	-	8	13	11⅝	16
1799	-		-		102	0	-		104	0	-		-	-	10	15	4	7
1800	-		-		104	0	-		110	0	-		-	-	4½	8	4	8½
1801	-		-		110	0	-		111	6	-		-	-	4½	8	3½	6½
1802	114	6	-		113	6	-		-		115	6	-	-	3	6½	3½	7
1803	-		-		115	6	-		-		-		-	-	2½	7	4½	8
1804	-		-		115	6	-		-		-		-	-	4½	8	3½	7
1805	-		-		113	0	-		122	6	-		-	-	3½	7	4	8
1806	128	6	-		124	6	-		-		128	6	-	-	4	8		
1807	-		-		128	6	-		-		-		-	-	4	8	4½	8
1808	-		-		118	6	-		120	6	-		-	-	4½	8	16	24
1809	-		-		120	6	-		128	6	-		16	24	4½	10	-	-
1810	-		-		128	6	-		174	0	-		-	-	7	13	3	8
1811	174	0	-		171	6	-		-		155	6	3	8	4	9	-	-
1812		Uncer	tain				-		139	6	131	6	-	-	2	7	4	8½
1813	-		-		140	6	-		-		-		-	-	5½	14½	10	26
1814	164	6	-		174	6	-		-		168	6	8	26	22	26	12	36
1815	148	6	-		152	0	-		-		136	6	-	-	12	28	10	21
1816	-		-		136	6	-		102	6	-		-	-	10	17	8	14
1817	97	0	-		103	0	-		-		97	0	6½	13	7	13	6½	9
1818	99	0	-		91	6	-		-		92	6	5½	10	9	14	-	-
1819	77	0	-		81	0	-		-		77	6	6½	12	5½	11	4	9
1820	77	0	-		81	0	-		-		77	6	5	10	5	10½	-	-
1821	77	6	-		80	6	-		81	6	-		3¼	8	2⅜	7	-	-
1822	80	6	-		81	0	-		-		98	6	3½	7½	-	-	-	-
1823	98	6	-		108	6	-		113	6	93	6	3	8	3	8	2⅝	7½
1824	88	6	-		90	6	-		88	6	88	6	2½	7½	2½	7½	2½	7
1825	108	6	-		103	6	-		98	6	91	6	2	7	2½	7⅝	3½	8
1826	91	6	-		88	6	-		81	6	83	6	3¼	9½	3⅜	9	2½	7½
1827	83	6	-		83	6	-		83	6	78	6	3	7⅝	3	7	2½	6½
1828	78	6	-		78	6	-		73	6	75	6	2½	6½	2	6	2½	6
1829	76	6	-		81	6	-		79	6	75	6	2½	6½	2⅞	7¼	2½	6½
1830	75	6	-		75	6	-		75	6	78	0	2⅝	7	2½	6⅝	2½	6
1831	79	0	-		78	0	-		77	6	74	6	2½	6	2½	6	2½	6
1832	74	0	-		74	0	-		77	6	74	6	2½	6	2½	6	2½	6
1833	74	6	-		74	6	-		74	6	76	6	2½	6	2½	6½	2½	6
1834	76	0	-		77	0	-		78	6	80	6	3	7	3	7	3	7
1835	80	6	-		88	6	-		90	6	90	6	3	8	3½	8	3⅝	8
1836	102	6	-		107	0	-		130	0 *a*	132	0	107	0	4	8	4	9½
1837	97	0	-		97	0	-		82	0	82	6	92	0 *a*	92	6	2	8
1838	89	0 *a*	89	6	94	0 *a*	94	6	-		-		-	-	2¾	7⅞	2½	8⅛

WHALEBONE, Northern.

Year.	Per Ton.								Duty.
	£	£	£	£	£	£	£	£	
1782	-	-	220	a 265	200	a 260	-	-	Free
1783	200	a 260	150	200	-	-	153	a 225	—
1784	145	200	120	150	-	-	160	190	—
1785	-	-	140	195	120	155	-	-	—
1786	130	150	100	120	-	-	160	210	—
1787	180	-	195	200	-	-	180	190	—
1788	-	-	170	180	140	150	-	-	—
1789	-	-	125	135	130	140	-	-	—
1790	-	-	130	150	200	210	-	-	—
1791	170	180	150	180	-	-	200	220	—
1792	-	-	200	220	250	300	-	-	—
1793	-	-	270	300	230	240	-	-	—
1794	-	-	200	230	130	140	-	-	—
1795	130	150	160	180	-	-	150	-	—
1796	-	-	150	-	115	120	-	-	—
1797	-	-	115	120	80	88	-	-	—
1798	-	-	90	105	80	96	-	-	3℔ ct. val.
1799	-	-	80	96	75	85	-	-	—
1800	-	-	75	82	70	80	-	-	—
1801	-	-	80	85	65	70	-	-	—
1802	-	-	65	70	50	60	-	-	—
									Ton.
1803	50	60	Uncertain		35	40	30	35	33*s.* 9*d.*
1804	-	-	30	35	28	30	-	-	37*s.* 6*d.*
1805	-	-	28	40	25	30	-	-	38*s.* 3*d.*
1806	-	-	25	30	20	25	-	-	40*s.* 9*d.*
1807	20	25	15	23	-	-	30	32	—
1808	30	32	26	28	-	-	35	40	—
1809	30	40	55	60	50	55	55	60	40*s.* 0*d.*
1810	70	75	80	90	75	80	Uncertain		—
1811	-	-	30	40	35	40	-	-	—
1812	-	-	40	45	65	70	-	-	—
1813	-	-	68	70	150	160	-	-	47*s.* 6*d.*
1814	-	-	150	160	70	85	-	-	—
1815	85	86	78	80	110	120	90	100	—
1816	85	90	52	55	-	-	75	78	—
1817	70	73	55	60	80	84	75	80	—
1818	75	80	63	65	122	125	118	120	—
1819	108	110	84	86	123	125	68	70	—
1820	72	73	92	93	58	59	63	64	—
1821	66	-	88	90	70	71	75	80	—
1822	85	90	120	130	-	-	220	230	—
1823	220	-	200	-	210	-	150	-	—
1824	110	120	95	100	145	-	200	220	—
1825	210	-	250	-	210	-	280	-	—
1826	280	-	250	-	230	-	260	-	20*s.* 0*d.*
1827	260	-	260	-	280	300	160	-	—
1828	210	-	220	-	230	-	212	-	—
1829	215	-	220	-	220	240	215	-	—
1830	180	200	180	200	185	-	350	400	—
1831	375	-	360	-	240	250	250	-	—
1832	180	-	180	-	180	-	110	-	—
1833	120	125	140	-	160	-	120	140	—
1834	140	-	135	145	130	140	140	-	—
1835	145	-	155	160	160	-	300	-	—
1836	270	-	240	-	260	280	280	300	—
1837	280	-	260	-	215	220	260	270	—
1838	260	-	280	-	-	-	-	-	—

WHALEBONE, South Sea.

Per Ton.								Duty.
£	£	£	£	£	£	£	£	
-	-	None		-	-	-	-	Free.
-	-	-	-	-	-	-	-	—
-	-	-	-	-	-	-	-	—
-	-	-	-	-	-	-	-	—
-	-	-	-	-	-	-	-	—
135	a 155	160	a 180	-	-	140	a 160	—
120	140	130	160	-	-	90	110	—
		80	100	70	a 85	-	-	—
-	-	70	80	100	110	-	-	—
-	-	90	95	100	110	-	-	—
100	110	100	120	-	-	90	100	—
90	110	120	150	-	-	80	110	—
80	110	104	120	85	105	106	120	—
-	-	100	120	110	130	-	-	—
-	-	100	110	85	100	-	-	—
-	-	85	100	70	76	-	-	—
-	-	70	78	75	90	-	-	3℔ ct. val.
-	-	75	80	65	70	-	-	—
-	-	65	70	42	52	-	-	—
-	-	56	60	45	50	-	-	—
-	-	45	50	-	-	-	-	—
								Ton.
45	50	Uncertain		30	35	25	30	33*s.* 9*d.*
-	-	20	25	20	28	-	-	37*s.* 6*d.*
-	-	20	28	-	-	-	-	38*s.* 3*d.*
-	-	20	28	20	22	-	-	40*s.* 9*d.*
-	-	20	22	28	29	-	-	—
-	-	28	29	20	22	-	-	—
20	22	30	32	-	-	25	30	40*s.* 0*d.*
-	-	33	40	None		-	-	—
22	28	30	32	-	-	26	30	—
26	30	30	32	-	-	25	30	—
26	30	65	70	-	-	75	80	47*s.* 6*d.*
70	85	110	115	-	-	65	70	—
40	42	50	52	-	-	40	42	—
40	42	45	46	30	32	50	52	—
50	-	40	-	50	-	40	-	—
40	-	30	-	70	-	60	-	—
40	-	55	-	30	-	40	-	—
40	-	60	-	40	-	45	-	—
45	-	50	-	-	-	40	45	—
60	-	70	80	-	-	116	125	—
120	-	100	-	130	-	-	-	—
-	-	75	-	100	-	150	-	—
150	-	150	-	130	-	180	-	—
190	-	160	-	150	-	180	-	20*s.* 0*d.*
190	-	200	-	210	-	120	-	—
170	-	180	-	160	-	140	-	—
180	-	170	-	135	-	135	-	—
-	-	125	150	120	-	210	250	—
220	-	160	-	120	-	95	-	—
140	-	140	-	105	-	70	80	—
70	80	85	95	120	-	90	100	—
90	100	90	95	100	-	100	105	—
100	105	96	110	110	112	200	-	—
175	-	145	-	120	-	180	-	—
160	170	160	-	120	130	180	185	—
175	-	120	-	-	-	-	-	—

Year.	WOOL (Sheep's), Spanish Leonesa. Per lb.								Duty.	WOOD.—Jamaica Logwood. Per Ton.								Duty.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.		£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	£ s.	
1782	-	-	3 0	a3 6	3 1	a3 8	-	-	Not stated.	-	-	11 0	a11 10	9 0	a9 10	-	-	Free.
1783	-	-	3 3	3 7	3 7	3 10	-	-	—	-	-	7 0	-	10 0	10 10	-	-	—
1784	-	-	3 8	3 9	3 0	3 7	-	-	—	-	-	12 10	13 0	8 10	9 10	-	-	—
1785	-	-	3 0	3 9	3 2	3 10	-	-	—	-	-	11 0	11 10	6 0	6 10	-	-	—
1786	-	-	3 1	3 10	2 9	3 9	-	-	—	-	-	6 10	7 0	5 10	6 0	-	-	—
1787	-	-	2 9	3 10	-	-	-	-	—	-	-	6 0	6 10	5 10	6 0	-	-	—
1788	-	-	3 4	3 10	-	-	-	-	—	-	-	5 10	6 0	5 5	6 15	5	0 a6	0 —
1789	-	-	3 4	3 10	-	-	-	-	—	-	-	5 10	6 0	4 0	4 10	-	-	—
1790	-	-	3 3	3 10	-	-	-	-	—	-	-	4 10	5 0	6 10	7 0	-	-	—
1791	-	-	3 6	3 9	3 11	-	-	-	—	-	-	6 10	-	5 15	-	-	-	—
1792	-	-	4 6	4 10	3 7	4 10	-	-	—	-	-	5 5	-	6 10	-	-	-	—
1793	-	-	4 6	4 10	3 9	4 10	-	-	—	-	-	6 0	-	6 10	-	-	-	—
1794	3 8	a4 0	3 6	3 10	-	-	3 8	a4 0	—	-	-	8 0	-	11 0	12 0	-	-	13s. 4d.
1795	-	-	3 6	4 0	-	-	-	-	—	-	-	11 0	12 0	16 0	16 10	-	-	—
1796	-	-	3 8	4 3	3 8	4 0	-	-	—	-	-	14 0	16 0	13 0	14 0	-	-	—
1797	-	-	3 10	4 4	-	-	-	-	—	-	-	13 0	14 0	12 0	13 10	-	-	—
1798	-	-	3 10	4 4	-	-	-	-	—	-	-	14 0	15 0	40 0	41 0	-	-	—
1799	4 0	4 9	5 0	5 1	-	-	4 9	-	—	-	-	48 0	50 0	12 0	15 0	-	-	—
1800	-	-	4 0	4 9	4 7	5 4	-	-	—	-	-	19 0	20 0	-	-	-	-	—
1801	-	-	5 1	5 4	5 9	6 0	-	-	—	-	-	18 10	19 0	14 10	15 10	-	-	—
1802	-	-	5 9	6 0	5 10	6 3	-	-	—	12 0	a14 0	11 0	13 0	-	-	18	0 19	0 —
1803	-	-	5 10	6 0	6 3	6 6	-	-	—	20 0	21 0	24 0	25 0	-	-	12	0 14	0 15s. 6d.
1804	-	-	6 6	6 9	-	-	-	-	—	23 0	24 0	17 0	18 0	-	-	19	0 21	0 6s. 10d.
1805	-	-	6 6	6 9	6 7	6 9	-	-	—	20 0	21 0	23 0	24 0	-	-	16	0 17	0 7s.
1806	-	-	6 7	6 9	-	-	-	-	—	16 0	17 0	18 0	19 0	-	-	14	0 15	0 —
1807	-	-	6 7	6 9	-	-	-	-	—	-	-	14 0	15 0	10 0	11 0	-	-	—
1808	-	-	6 7	6 9	10 0	10 6	-	-	—	10 0	11 0	17 0	18 0	-	-	14	0 15	0 7s. 5½d.
1809	12 0	14 0	22 0	26 0	-	-	13 0	15 0	—	-	-	14 0	15 0	15 0	16 0	-	-	—
1810	-	-	13 0	14 0	7 0	8 0	-	-	—	27 0	28 0	37 0	38 0	-	-	16	0 17	0 —
1811	-	-	7 0	8 0	8 0	9 6	-	-	—	-	-	16 0	17 0	12 0	13 0	-	-	—
1812	-	-	8 6	10 0	8 6	9 6	-	-	—	12 0	13 0	13 0	14 0	-	-	10	0 11	0 —
1813	-	-	8 6	9 6	8 0	9 0	-	-	—	13 0	15 0	10 0	10 10	15 0	-	19	0 20	10 9s. 1½d.
1814	-	-	8 0	9 0	7 0	8 0	-	-	—	21 0	22 0	22 0	23 0	-	-	15	0 16	0 —
1815	-	-	7 6	8 0	6 0	7 0	-	-	—	-	-	14 0	15 0	9 0	10 0	-	-	—
1816	-	-	6 0	7 0	-	-	-	-	—	8 10	9 10	6 0	6 10	-	-	7	0 7	5 —
1817	-	-	6 0	7 0	-	-	-	-	—	8 0	-	7 0	-	-	-	8	5 8	10 —
1818	-	-	6 0	7 0	6 0	6 9	-	-	—	8 0	-	9 0	-	7 5	-	8	0 -	9s. 2d.
1819	-	-	6 0	6 9	4 0	5 0	-	-	—	-	-	7 10	8 0	5 0	6 0	-	-	—
1820	5 0	5 2	3 0	5 0	4 0	4 6	3 6	4 3	6d. ℔ lb.	5 0	6 10	5 10	6 0	-	-	6	0 6	10 —
1821	3 0	4 6	3 3	4 0	2 6	3 6	3 0	4 6	—	6 10	6 15	-	-	-	-	9	0 9	15 —
1822	3 0	4 6	3 6	5 0	3 0	4 0	3 3	4 6	—	9 5	9 10	10 0	10 10	8 10	9 9	7	10 8	0 —
1823	4 0	4 6	4 0	4 6	3 9	4 6	3 9	4 6	—	7 10	8 0	9 10	10 10	7 10	8 10	8	0 8	15 —
1824	3 6	4 3	3 3	4 3	3 3	4 2	3 1	4 0	—	9 0	-	9 0	-	7 10	8 0	7	0 7	5 —
1825	3 3	4 6	3 6	4 6	3 3	4 6	3 3	4 6	1d. ℔ lb.	8 0	8 5	9 0	10 0	7 0	7 10	7	0 -	—
1826	3 3	4 6	3 0	4 6	2 9	4 0	2 6	3 0	—	7 0	-	6 10	-	5 10	5 15	6	0 6	5 3s.
1827	2 6	3 6	2 6	3 6	2 6	3 6	2 6	3 6	—	5 15	6 10	6 10	6 15	6 0	6 6	6	0 6	6 —
1828	2 6	3 6	2 6	3 6	2 0	3 0	2 0	3 0	—	5 15	6 0	6 0	6 5	6 0	6 10	6	10 6	15 —
1829	2 0	3 0	2 0	3 0	2 0	2 9	2 0	2 9	—	6 10	-	6 10	7 0	6 12	6 17	5	15 6	0 —
1830	2 0	2 9	2 0	2 9	2 0	2 9	2 6	3 0	—	-	-	5 17	6 2	6 0	6 5	6	0 6	5 —
1831	2 6	3 0	2 3	3 0	2 3	3 0	2 3	3 0	—	6 0	6 5	6 5	6 7	6 0	6 6	6	0 6	2 —
1832	2 3	3 0	2 0	2 9	2 0	2 9	2 3	2 9	—	6 5	6 10	6 10	7 0	5 17	6 0	5	15 6	0 —
1833	2 3	2 9	2 3	2 9	2 8	3 0	2 6	3 6	—	5 15	-	5 10	6 0	5 15	6 0	5	15 -	—
1834	2 6	3 6	2 6	4 0	2 6	3 9	2 6	3 3	—	5 15	-	5 15	-	5 0	5 10	4	15 5	0 —
1835	2 6	3 0	3 0	-	3 0	-	3 0	-	—	5 0	-	5 2	-	4 15	5 0	4	10 4	15 —
1836	3 0	-	3 0	-	2 9	3 0	2 9	3 2	—	5 0	5 10	5 0	5 5	5 0	5 12	6	15 7	5 —
1837	2 9	3 2	2 6	3 0	2 2	2 8	2 2	2 8	—	6 10	7 0	6 0	6 10	6 0	6 5	6	5 6	10 —
1838	2 2	2 8	2 3	2 8	-	-	-	-	—	7 0	7 5	6 15	7 0	-	-	-	-	—

THE END.

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